

IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA
SECOND APPELLATE DISTRICT DIVISION
CIV. NO. B _____
(S.Ct. No. C420153)

CHURCH OF SCIENTOLOGY OF CALIFORNIA
and MARY SUE HUBBARD,

Plaintiff-Petitioners,

- against -

GERALD ARMSTRONG,

Defendant.

CHURCH OF SCIENTOLOGY OF CALIFORNIA
and MARY SUE HUBBARD,

Petitioners

- against -

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES,

Respondents.

BENT CORYDON, Real Party in Interest

Response From the Superior Court of California
County of Los Angeles
Judge Bruce R. Geernaert

MOTION FOR CLARIFICATION OF TEMPORARY STAY ORDER

FEDERICO C. SAYRE
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SAYRE, MORENO, PURCELL & BOUCHER
10866 Wilshire Boulevard
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Los Angeles, California 90024
(213) 475-0505

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MOTION FOR CLARIFICATION

The Petition herein seeks a Writ of Supersedeas to stay the Order of the Judge Bruce R. Geernaert unsealing the court case file in this case. Records were sealed by Judge Paul G. Breckenridge pursuant to a stipulation of the parties as part of a partial settlement of the underlying lawsuit. (See Petition, Exhibit F.)

On November 9, 1988, a non-party to the underlying lawsuit, Bent Corydon, moved the court for an order permitting his review of the file. Mr. Corydon is a party involved in four lawsuits with the Church of Scientology as well as related entities and individuals. That motion was filed by Paul Morantz, Esq., counsel for Mr. Corydon in the consolidated defamation actions Jentzsch v. Corydon, L.A.S.C., Case No. NVC 14274 and Carmichael v. Corydon, Riverside S.Ct., Case No. 189414.

The law firm of Sayre, Moreno, Purcell & Boucher represents Mr. Cordon in two other lawsuits. They are Corydon v. Church of Scientology International, Inc., et al., L.A.S.C., Case No. C 694401 and Church of Scientology Mission of Riverside, et al. v. Bent Corydon, et al., Riverside S.Ct., Case No. 154129. Sayre, Moreno, Purcell & Boucher filed supplemental papers (mis-captioned Joinder in Motion) on behalf of Mr. Corydon in support of the motion to unseal and seeking to review the file. Those papers were not submitted by Petitioner as an exhibit to its petition but are attached hereto as Exhibit A. Copies of the principal pleadings in the two lawsuits were appended thereto. Exhibit B submitted

herewith is the most recently amended complaint filed by Mr. Corydon in the Los Angeles action.

Sayre, Moreno, Purcell & Boucher, by Toby Plevin, appeared at the November 9, 1988 hearing on the Motion and at the November 30, 1988 hearing on the Church of Scientology's Motion for Reconsideration and/or Clarification. At that hearing, Judge Geernaert, at the request of Ms. Plevin, asked that the moving party submit a proposed order for sequestering the file once it was unsealed. (See Transcript of Proceedings attached hereto as Exhibit C, pp. 13-14.) On December 22, 1988, Judge Geernaert signed the Order for Sequestering File attached hereto as Exhibit D. That order provides that Mr. Corydon, Mr. Morantz and Ms. Plevin have access to the file.^{1/} The Temporary Stay Order, filed December 22, 1988 by this Court, specified that only "the moving party, and his counsel of record, Paul Morantz," be permitted to review the file until further order of the court.

As Mr. Corydon's counsel of record in the two above-referenced lawsuits, Sayre, Moreno, Purcell & Boucher is also in need of review of the court case file in order to fully represent Mr. Corydon's interests. This need is particularly important in the Los Angeles proceeding wherein it is alleged that the policies of the Church of Scientology towards Mr. Corydon include extensive and conspiratorial "fair game" tactics. (See Third Amended Complaint attached hereto


^{1/} As this Motion is being prepared, a modification of that Order is being sought by stipulation of counsel in respects not pertinent to this Motion.

as Exhibit B, at paragraphs 9-13, 19, 24 and 28). "Fair game" is a policy created by the founder of Scientology, L. Ron Hubbard, which dictates that an enemy of the Church "may be deprived of property or injured by any means by any Scientologist without any discipline of the Scientologist. May be tricked, sued, lied to or destroyed." See Exhibit E. In his Memorandum of Intended Decision in the underlying case, Judge Breckenridge found that the fair game policy is an active Scientology policy. See Memorandum of Indended Decision, attached hereto as Exhibit F, at page 8. Given Judge Breckenridge's findings, Mr. Corydon's assertion of fair game strategies in the two referenced actions demonstrates an important need for access to the the underlying court file.

In view of the foregoing, the undersigned counsel of record for Mr. Corydon requests a clarification of the Temporary Stay Order filed December 22, 1988 which will permit access to underlying file by Toby Plevin of Sayre, Moreno, Purcell & Boucher.

DATED: December 27, 1988

SAYRE, MORENO, PURCELL & BOUCHER


FEDERICO C. SAYRE
TOBY L. PLEVIN
Attorneys for Bent Corydon

10/20
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(213) 475-0505

Attorneys for Bent Corydon

ORIGINAL FILED
OCT 28 1988
COUNTY CLERK

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY OF
CALIFORNIA,

Plaintiff,

v.

GERALD ARMSTRONG,

Defendant.

MARY SUE HUBBARD,

Intervenor.

CASE NO. C 420 153

JOINDER IN MOTION TO UNSEAL
FILE

DATE: November 9, 1988
TIME: 9:00 a.m.
DEPT: 56

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that Bent Corydon, Mary Corydon, Mark
Lutovsky, Phil Black, Marc Chacon, Dorothy Kolb and the Church of
Sciologos have joined the pending Motion of Bent Corydon filed by
Paul Morantz, Esq. for an order that:

THE HEREIN FILE BE UNSEALED.

/ / /

/ / /

EXHIBIT A

1 Said motion shall be based upon the attached declaration of
2 Toby L. Plevin as counsel for Bent Corydon, Mary Corydon, Phil
3 Black, Marc Chacon and the Church of Sciologos, the Declaration
4 and Points and Authorities submitted by Paul Morantz, Esq., as
5 counsel for Bent Corydon in Coordination Proceeding No. 2151, and
6 on such evidence and argument as will be given at the hearing on
7 the motion.

8
9 DATED: October 26, 1988.

10 SAYRE, MORENO, PURCELL & BOUCHER

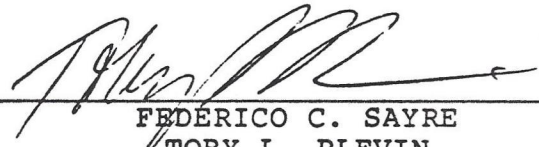
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12 
13 FEDERICO C. SAYRE
14 TOBY L. PLEVIN
15 Attorneys for Bent Corydon, Mark
16 Lutovsky, Phil Black, Marc
17 Chacon and the Church of
18 Sciologos
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EXHIBIT A

Attorneys for Bent Corydon

GP 6S

1 Scientology Mission of Riverside et al. v. Church of Sciologos,
2 Bent Corydon et al., which are referred to in the second
3 paragraph of the declaration of Paul Morantz previously submitted
4 herein. In the latter case, Sayre, Moreno, Purcell & Boucher
5 also represents MARY CORYDON, MARK LUTOVSKI, PHIL BLACK, MARC
6 CHACON and CHURCH OF SCIOLOGIOS.

7
8 2. Judge Paul Breckenridge's decision in the within case
9 made a finding confirming the existence of the so-called fair
10 game policy of the Church of Scientology and confirming that
11 Scientology individuals and entities implement that policy to
12 harass their enemies.

13
14 3. The issue of the fair game policy of the Church of
15 Scientology, its organizations and agents is a key issue in the
16 above-referenced lawsuits. Consequently, a certified copy of the
17 judgment in the Armstrong case may be necessary for collateral
18 estoppel purposes in those actions.

19
20 4. The documentary evidence regarding fair game is also
21 relevant to the Corydon actions because in both cases Mr. Corydon
22 (and, in the Riverside case, his co-parties) allege tortious
23 conduct by Scientology organizations and agents including but not
24 limited to assault and battery, intentional infliction of
25 emotional distress, and fraud coverina a period commencing as
26 early as 1974 through 1982, intentional interference with
27 prospective economic advantage and defamation.

28 / / /

EXHIBIT A

1 5. The evidence of fair game tactics from the transcript
2 of proceedings is also essential to a motion for a protective
3 order that is pending in the Riverside case in which Mr. Corydon
4 and his co-parties seek protection of the court from further
5 harassment and discovery. Evidence regarding the patterns of
6 abuse of the legal system by the Church of Scientology for the
7 purposes of harassment and for obstruction of justice is crucial
8 to that motion.

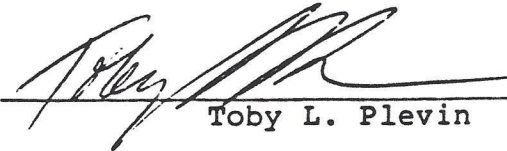
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10 6. In addition to the foregoing, evidence in the files may
11 include material relevant to the question of whether, at its
12 inception, Scientology was a business enterprise not a religion;
13 that religion was superimposed upon it as a convenient device for
14 eluding various regulations and for evading taxes. Such evidence
15 is crucial to counter the Church's defense in the Corydon actions
16 that its tortious conduct can not be subject to adjudication
17 because it intrudes on religious freedom.

18
19 7. Evidence regarding the establishment of Scientology
20 Missions International as a means for controlling missions and
21 the rewriting, backdating and altering Mission Board minutes is
22 important to the defense in the Riverside action in which the
23 validity and/or voidability of certain Board action has been
24 raised.

25
26 8. Attached are copies of the operative complaints and
27 cross-complaints in the Los Angeles Superior Court Case No. C 964
28 401 and Riverside County Case No. C 154 129.

EXHIBIT A

1 I declare under penalty of perjury that the foregoing is
2 true and correct. Executed this 27th day of October, 1988 at Los
3 Angeles, California.

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5 
6 Toby L. Plevin

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EXHIBIT A

1 ~~ROBERT N. HARRIS,~~
2 A Professional Corporation
3 TRABISH & PETERSON
4 4676 Admiralty Way, Suite 902
5 Marina Del Ray, California 90291
6 (213) 822-2818

7 Attorneys for Plaintiffs

FILED
RIVERSIDE COUNTY

JAN 12 1983

By WILLIAM E. CONERLY, Clerk

E. Sayers E. Sayers
Deputy

8 SUPERIOR COURT OF CALIFORNIA, COUNTY OF RIVERSIDE

9 - his page

10
11
12 CHURCH OF SCIENTOLOGY MISSION OF)
13 RIVERSIDE, a California Non-Profit)
14 Religious Corporation, MISSION OF)
15 RIVERSIDE, an unincorporated)
16 association, GEROLD W. LANGENFELD,)
17 ROBERT W. BEILHART, and DAVID M.)
18 WINDSOR,)

19 Plaintiffs,

20 vs.

21 BENT CORYDON, MARY CORYDON, MARK)
22 LUTOVSKY, DOROTHY A. KOLB, MARC)
23 CHACON, ROBERT CHAMBERS, JEFF)
24 NICHOLS, PHILLIP BLACK, CHURCH OF)
25 SCIOLOGOS, a California Corporation,)
26 and DOES 1 through 20,)
27 Inclusive,)

28 Defendants.

CASE NO. 154129

FIRST AMENDED
COMPLAINT FOR:

1. BREACH OF FIDUCIARY DUTY;
2. VIOLATION OF CORPORATIONS CODE, SECTION 9243 (SELF-INTERESTED DIRECTOR DEALINGS);
3. RESTITUTION BASED ON CANCELLATION OF DEED;
4. QUIET TITLE;
5. CONVERSION;
6. CONSTRUCTIVE TRUST;
7. DECLARATORY RELIEF;
8. INJUNCTIVE RELIEF

29 FIRST CAUSE OF ACTION

30 Plaintiffs, and each of them, allege as a First Cause of
31 Action against defendants BENT CORYDON, MARY CORYDON, and MARK
32 LUTOVSKY Breach of Fiduciary Duty as follows:

EXHIBIT A

1 1. Plaintiff CHURCH OF SCIENTOLOGY MISSION OF RIVERSIDE
2 (hereinafter "MISSION") is, and at all relevant times was, a
3 California non-profit religious corporation with its principal
4 place of business in Riverside County.

5 2. A true copy of the Articles of Incorporation of
6 MISSION (hereinafter "Articles") is attached hereto as Exhibit
7 "A" and incorporated herein by reference. A true copy of the
8 Bylaws of MISSION (hereinafter "Bylaws") is attached hereto as
9 Exhibit "B" and is incorporated herein by reference.

10 3. Plaintiff MISSION OF RIVERSIDE (hereinafter "CHURCH")
11 is an unincorporated association and a church, consisting of
12 Scientology parishioners, which at all relevant times operated
13 under the corporate style of plaintiff MISSION in Riverside
14 County.

15 4. Plaintiffs GEROLD W. LANGENFELD, ROBERT W. BEILHART
16 and DAVID M. WINDSOR are directors of plaintiff MISSION.
17 Plaintiffs GEROLD W. LANGENFELD and DAVID M. WINDSOR are the
18 President and Treasurer, respectively, of MISSION. From and
19 after December 16, 1982, plaintiff ROBERT W. BEILHART was and
20 is the Mission Holder of MISSION, the person who occupies the
21 highest ecclesiastical position in plaintiff CHURCH, and was
22 and is a trustee of the assets of plaintiff CHURCH. Plaintiffs
23 GEROLD W. LANGENFELD, AND DAVID M. WINDSOR are both
24 parishioners of plaintiff CHURCH.

25 5. Defendants BENT CORYDON and MARY CORYDON are husband
26 and wife.

27 6. Defendants BENT CORYDON, MARY CORYDON and MARK
28 LUTOVSKY are residents of Riverside County.

1 7. The residence of defendant DOROTHY A. KOLB is in
2 Orange County California, but plaintiffs are informed and
3 believe and therefore allege that defendant DOROTHY A. KOLB did
4 or caused to be done acts in Riverside County of which
5 plaintiffs herein complain.

6 8. Defendant MARC CHACON is a resident of Riverside
7 County.

8 9. Defendant CHURCH OF SCIOLOGOS purports to be a
9 California corporation doing business in Riverside County.

10 10. The residences of defendants ROBERT CHAMBERS, JEFF
11 NICHOLS, PHILLIP BLACK, and DOES 1 through 20, are unknown at
12 this time, but plaintiffs are informed and believe and
13 therefore allege that each of these defendants did or caused to
14 be done acts in Riverside County of which plaintiffs herein
15 complain.

16 11. Plaintiffs are ignorant of the true names and
17 capacities of defendants sued herein as DOES 1 through 20,
18 inclusive, and therefore sue these defendants by such
19 fictitious names. Plaintiffs will amend their complaint to
20 allege their true names and capacities when ascertained.
21 Plaintiffs are informed and believe and therefore allege that
22 each of such fictitiously named defendants is responsible in
23 some manner for the occurrences herein alleged. Wherever
24 appearing in this Complaint, each and every reference to
25 "Defendants" is intended to and shall be a reference to all
26 defendants in this action and to each of them, including all
27 fictitiously named defendants.

28 12. At all times herein mentioned, each of the defendants

1 was the agent and employee of his codefendants and in doing all
2 of the things herein mentioned was acting within the scope of
3 his authority and employment as such agent and employee and
4 with the permission and consent of his codefendants.

5 13. Defendants BENT CORYDON, MARY CORYDON and MARK
6 LUTOVSKY were directors of plaintiff MISSION at all relevant
7 times prior to November 19, 1982. Said defendants were
8 disqualified as directors on November 19, 1982, and were
9 removed for cause from the Board of Directors of MISSION on
10 December 16, 1982, in accordance with and pursuant to
11 applicable provisions of the Bylaws.

12 14. Prior to November 23, 1982, plaintiff MISSION was the
13 legal owner, in trust for the benefit of plaintiff CHURCH, of
14 certain real property in the County of Riverside, consisting of
15 a building and an improved parking lot, more particularly
16 described as follows:

17
18 1. The Building: That portion of Block 7, Range 4 of
19 the Town of Riverside, as shown by Map on file in Book
20 7, page 17 of Maps, San Bernardino County Records,
21 described as follows: Beginning at the Southwesterly
22 corner of said Block; thence Easterly on the Northerly
23 line of Eight Street, 185 feet; thence Northerly,
24 parallel with the Easterly line of Lemon Street, 185
25 feet to the Southerly line of an alley; thence
26 Westerly on the Southerly line of said alley, 185 feet
27 to the Easterly line of Lemon Street; thence Southerly
28 on the Easterly line of Lemon Street, 185 feet to the
point of beginning.

Commonly known as 3485 University Street, Riverside,
California.

2. The Parking Lot: A portion of Block 7, Range 5,
as shown by map of the TOWN OF RIVERSIDE, in the City
of Riverside, County of Riverside, State of
California, and described as follows:

1 Commencing at the Southeast corner of Block 7, Range
2 5, as shown by Map of the TOWN OF RIVERSIDE, recorded
3 in Book 7, page 17 of Maps, records of San Bernardino
4 County, California;

5 Thence Westerly along the Northerly line of University
6 Avenue (formerly Eight Street), 109 feet;

7 Thence at a right angle Northerly and parallel with
8 the Westerly line of Lemon Street, 50 feet;

9 Thence at a right angle Westerly and parallel with the
10 Northerly line of University Avenue (formerly Eight
11 Street), 56 feet;

12 Thence at a right angle Northerly and parallel with
13 the Westerly line of Lemon Street, 80 feet;

14 Thence at a right angle Easterly and parallel with the
15 Northerly line of University Avenue (formerly Eight
16 Street), 165 feet to the Westerly line of Lemon Street;

17 Thence Southerly along the Westerly line of Lemon
18 Street, 130 feet to the point of beginning.

19 15. Plaintiffs are informed and believe and therefore
20 allege that the above-described real property has a fair market
21 value in excess of seven hundred fifty thousand dollars
22 (\$750,000).

23 16. On or about November 19, 1982, defendant BENT CORYDON,
24 as a married man, purported to execute two Deeds of Trust to
25 secure an indebtedness of one hundred ten thousand dollars
26 (\$110,000) purportedly evidenced by a promissory note in favor
27 of plaintiff MISSION for the purchase of the above-described
28 real property. Attached hereto as Exhibits "C" and "C-1" are
true copies of said Trust Deeds, which are incorporated herein
by reference. Plaintiffs are informed and believe and
therefore allege that there is no underlying promissory note
supporting said trust deeds.

EXHIBIT A

1 17. On or about November 23, 1982, defendants BENT CORYDON
2 and MARK LUTOVSKY purported to execute two Grant Deeds on
3 behalf of plaintiff MISSION to transfer all of the
4 above-described property of plaintiffs MISSION and CHURCH to
5 defendant BENT CORYDON, "a married man as his separate
6 property." Attached hereto as Exhibits "D" and "D-1" are true
7 copies of said Grant Deeds which are incorporated by
8 reference. Said transfer was for grossly less than the fair
9 market value of said real property.

10 18. On or about November 26, 1982, defendant MARY CORYDON
11 purported to execute a quitclaim deed on the above-described
12 real property in favor of defendant BENT CORYDON. Attached
13 hereto as Exhibits "E" and "E-1" are true copies of said
14 quitclaim deeds, which are incorporated herein by reference.

15 19. By reason of the above transfer of said real property
16 of plaintiffs MISSION and CHURCH to an individual at grossly
17 less than fair market value, defendants BENT CORYDON, MARY
18 CORYDON and MARK LUTOVSKY breached their general fiduciary duty
19 to plaintiffs, as well as their special fiduciary duty under
20 Article VII, Section 1.c. of the Bylaws.

21 20. As a proximate result of the acts herein alleged
22 plaintiffs MISSION and CHURCH have suffered general damages in
23 the amount of seven hundred fifty thousand dollars (\$750,000).

24 21. The aforementioned acts of defendants BENT CORYDON,
25 MARY CORYDON and MARK LUTOVSKY, were intentional, deliberate,
26 willful, wanton, malicious, and oppressive, and amounted to a
27 fraud against plaintiffs, and each of them. Plaintiffs are
28 therefore entitled to recover punitive damages in the amount of

EXHIBIT. A .4 .

1 seven hundred fifty thousand dollars (\$750,000).

2
3 SECOND CAUSE OF ACTION

4 Plaintiffs, and each of them, allege as a Second Cause of
5 Action against defendants BENT CORYDON, MARY CORYDON and MARK
6 LUTOVSKY Self-Interested Dealings in violation of California
7 Corporation Code Section 9243 as follows:

8 22. Plaintiffs repeat and reallege each and every
9 allegation contained in Paragraphs 1 through 6, and Paragraphs
10 13 through 18 above, and incorporate them herein by reference
11 as though fully set forth.

12 23. Said transfer of the above-described real property of
13 plaintiffs MISSION and CHURCH to defendant BENT CORYDON was in
14 violation of Section 9243 of the California Corporations Code.

15 24. Plaintiff MISSION is, therefore, entitled under
16 California Corporations Code, Section 9243(h)(1)-(3) to an
17 order of this Court to defendants BENT CORYDON, MARY CORYDON
18 and MARK LUTOVSKY to account for any profits made from such
19 transaction, to pay such profits to plaintiff MISSION, to pay
20 plaintiff MISSION the value of the use of the property while it
21 was wrongfully in the possession of said defendants, and to
22 return the real property unlawfully transferred from plaintiff
23 MISSION as a result of the above-described transaction by way
24 of a cancellation of the Trust Deeds, Grant Deeds and Quitclaim
25 Deeds recorded November 23, 1982, Exhibits "C" and "C-1", "D"
26 and "D-1", and "E" and "E-1" attached hereto.

27 25. Plaintiff MISSION is entitled to an award of
28 prejudgment interest to the extent allowed in Sections 3287 and

EXHIBIT A

1 3288 of the California Civil Code because of the directors'
2 self-dealing transaction described above.

3 26. The aforementioned acts of defendants, BENT CORYDON,
4 MARY CORYDON and MARK LUTOVSKY, were intentional, deliberate,
5 willful, wanton, malicious, and oppressive, and amounted to a
6 fraud against plaintiffs and each of them. Plaintiffs are
7 entitled to recover punitive damages in the amount of seven
8 hundred fifty thousand dollars (\$750,000).

9
10 THIRD CAUSE OF ACTION

11 Plaintiffs, and each of them, allege as a Third Cause of
12 Action against defendants BENT CORYDON, MARY CORYDON and MARK
13 LUTOVSKY Restitution Based on Cancellation of Deed as follows:

14 27. Plaintiffs repeat and reallege each and every
15 allegation contained in Paragraphs 1 through 6, Paragraphs 13
16 through 19 and Paragraph 23, and incorporate the same by
17 reference as through fully set forth herein.

18 28. On or about December 21, 1982, plaintiffs MISSION and
19 CHURCH notified defendants BENT CORYDON and MARK LUTOVSKY in
20 writing that the transfer of the above described real property
21 was null and void. Defendants BENT CORYDON and MARK LUTOVSKY
22 refuse and continue to refuse to restore said real property to
23 plaintiffs MISSION and CHURCH.

24 29. At present, there is outstanding and presently
25 recorded in the Riverside County Recorder's Office Deeds of
26 Trust, Grant Deeds and Quitclaim Deeds, attached hereto as
27 Exhibits "C" and "C-1," "D" and "D-1," and "E" and "E-1."

28 30. Plaintiffs are entitled to an order of this Court

1 declaring that the Deeds of Trust, Grant Deeds and Quitclaim
2 Deeds, attached hereto as Exhibits "C" and "C-1," "D" and
3 "D-1," and "E" and "E-1" are void, and cancelling them.

4 31. Plaintiffs are further entitled to a Writ of
5 Possession granting to plaintiffs MISSION and CHURCH the right
6 of immediate physical possession and control of said real
7 property.

8
9 FOURTH CAUSE OF ACTION

10 Plaintiff, and each of them, allege as a Fourth Cause of
11 Action against defendants BENT CORYDON and MARY CORYDON, Quiet
12 Title as follows:

13 32. Plaintiffs repeat and reallege each and every
14 allegation contained in paragraphs 1 through 6, Paragraphs 13
15 through 19 and Paragraph 23 above and incorporate them herein
16 by reference as though fully set forth.

17 33. Plaintiff MISSION is currently the legal owner and
18 holds in trust for the benefit of plaintiff CHURCH the real.
19 property described in Paragraph 14 above.

20 34. Plaintiff MISSION holds title by way of Grant Deeds
21 granting plaintiff MISSION fee simple title.

22 35. Plaintiffs MISSION and CHURCH were in possession of
23 said property within (5) years of the commencement of this
24 action.

25 36. Plaintiffs MISSION and CHURCH seek to quiet title
26 against the claims of defendants BENT CORYDON and MARY CORYDON,
27 who claim title by Deeds of Trust, Grant Deeds and Quitclaim
28 deeds attached hereto as Exhibits "C" and "C-1," "D" and "D-1,"

EXHIBIT A

1 and "E" and "E-1," which claims are without merit or any right
2 whatever and said defendants have no right, title, estate,
3 claim or interest in the property described in Paragraph 14
4 above or any part thereof.

5 37. Plaintiffs seek to quiet title as of November 19, 1982.

6
7 FIFTH CAUSE OF ACTION

8 Plaintiffs, and each of them, allege as a Fifth Cause of
9 Action against defendants, and each of them, Conversion, as
10 follows:

11 38. Plaintiffs repeat and reallege each and every
12 allegation contained in Paragraphs 1 through 13 above and
13 incorporate them herein by reference as though fully set forth.

14 39. At all times pertinent to this action, plaintiffs
15 MISSION and CHURCH were, and still are, the lawful owners, and
16 were, and still are, entitled to possession of certain personal
17 property, specifically: All furniture, office equipment,
18 offset press and holder, E-meters, books, file cabinets,
19 mailing lists, tape recorders, television receivers,
20 telephones, and all other items of personal property of every
21 kind located in or about the above-described real property of
22 plaintiffs MISSION and CHURCH.

23 40. On or about November 23, 1982, at Riverside,
24 California, the above-mentioned personal property had a
25 reasonable value to be proved at the time of trial, but in
26 excess of fifteen thousand dollars (\$15,000).

27 41. Plaintiffs are informed and believe and therefore
28 allege that defendants, and each of them, without authorization

EXHIBIT A

1 from plaintiffs MISSION and CHURCH, did wrongfully take and
2 convert to their own use the items of personal property more
3 particularly described in Paragraph 39 above.

4 42. Upon discovery of the wrongful taking and conversion
5 by defendants, and each of them, plaintiffs MISSION and CHURCH
6 made oral and written demands of defendants BENT CORYDON and
7 MARK LUTOVSKY for the immediate return of the above-mentioned
8 property, but defendants failed and refused and continue to
9 fail and refuse to return said property to possession and
10 control of plaintiffs MISSION and CHURCH.

11 43. Plaintiffs are informed and believe and therefore
12 allege that after November 19, 1982 and continuing to the date
13 of the filing of this Complaint defendants, and each of them,
14 maliciously, intentionally and unlawfully conspired together to
15 convert the personal property of plaintiffs MISSION and CHURCH
16 to their own use.

17 44. Between the time of conversion of the above-mentioned
18 property by defendants, and each of them, to their own use and
19 the filing of this action, plaintiffs MISSION and CHURCH have
20 employed staff in attempting to determine the extent that said
21 personal property has been converted and have further employed
22 attorneys and other persons to attempt to regain possession of
23 the property, all to plaintiff's further damage in a sum to be
24 proved at the time of trial.

25 45. The aforementioned acts of defendants, and each of
26 them, were intentional, deliberate, willful, wanton, malicious
27 and oppressive and in reckless disregard of the rights of
28 plaintiffs MISSION and CHURCH. Plaintiffs, and each of them,

1 are therefore entitled to recover punitive damages in an amount
2 of one hundred thousand dollars (\$100,000).

3
4 SIXTH CAUSE OF ACTION

5 Plaintiffs, and each of them, allege as a sixth Cause of
6 Action against defendants, and each of them, Unjust Enrichment
7 requiring a Constructive Trust as follows:

8 46. Plaintiffs repeat and reallege each and every
9 allegation contained in Paragraphs 1 through 19, Paragraph 23,
10 and Paragraphs 39 through 43 above and incorporate them herein
11 by reference as though fully set forth.

12 47. Plaintiffs are informed and believe and therefore
13 allege that defendants, and each of them, acting in concert,
14 intend to use the converted personal property and the
15 wrongfully acquired real property for their own benefit and
16 profit. Because of the conversion of the personal property and
17 wrongful acquisition of the real property through breach of
18 fiduciary duty by defendants BENT CORYDON, MARY CORYDON and
19 MARK LUTOVSKY, as hereinabove alleged, and because defendants,
20 and each of them, by this conduct, have been and will be
21 unjustly enriched at the expense of plaintiffs MISSION and
22 CHURCH, a constructive trust should be impressed upon the
23 personal property of plaintiffs MISSION and CHURCH, their bank
24 accounts, and the real property described herein, which real
25 property is now being held by defendant BENT CORYDON; and
26 defendants, and each of them, should be named as co-trustees on
27 behalf of plaintiffs MISSION and CHURCH. By the terms of said
28 constructive trust, defendants, and each of them, should be

EXHIBIT A

1 required to keep safe and maintain the personal and real
2 property of plaintiffs MISSION and CHURCH, any profits that
3 defendants realize should be required to be held for the
4 benefit of plaintiffs MISSION and CHURCH, and defendants, and
5 each of them, should refrain from any and all liquidations or
6 transfers of any of the personal or real property of plaintiffs
7 MISSION and CHURCH.

8
9 SEVENTH CAUSE OF ACTION

10 Plaintiffs, and each of them, allege as a Seventh Cause of
11 Action against defendants, and each of them, for Declaratory
12 Relief pursuant to California Code of Civil Procedure Section
13 1060 as follows:

14 48. Plaintiffs repeat and reallege each and every
15 allegation contained in Paragraphs 1 through 19, Paragraph 23,
16 and Paragraphs 39 through 43 above and incorporate them herein
17 by reference as though fully set forth.

18 49. An actual controversy has arisen and now exists
19 between plaintiffs and defendants concerning their respective
20 rights and duties in that plaintiffs contend that defendants
21 BENT CORYDON, MARY CORYDON and MARK LUTOVSKY owed to plaintiffs
22 MISSION and CHURCH the duties of a fiduciary because of their
23 positions as directors of a California non-profit religious
24 corporation and further contend that these duties have been
25 breached as set forth above, and specifically contend that
26 defendants BENT CORYDON, MARY CORYDON, and MARK LUTOVSKY,
27 through corporate self-dealing, did transfer real property
28 belonging to plaintiffs MISSION and CHURCH to defendant BENT

EXHIBIT A . . .

1 CORYDON, and defendants, and each of them, have converted to
2 their own use personal property of plaintiffs MISSION and
3 CHURCH. Defendant BENT CORYDON presently holds by force the
4 real property described above, and defendants, and each of
5 them, are also holding in their possession and under their
6 control the items of personal property described in Paragraph
7 39 above; and defendants deny all of plaintiffs' above-stated
8 contentions.

9 50. Plaintiffs desire a judicial determination of their
10 rights and duties and a written declaration as to the rights,
11 duties and obligations of defendants, and each of them, in
12 regard to the possession of the personal property described in
13 Paragraph 39 above, and, with reference to the Trust Deeds,
14 Grant Deeds and Quitclaim Deeds attached hereto as Exhibits "C"
15 and "C-1," "D" and "D-1," and "E" and "E-1," and as to whether
16 a constructive trust shall be impressed upon the personal
17 property, real property and bank accounts of plaintiffs MISSION
18 and CHURCH now being held by said defendants.

19 51. A judicial declaration is necessary and appropriate at
20 this time under the circumstances in order that plaintiffs
21 MISSION and CHURCH may ascertain their rights and duties in
22 regard to the personal property, bank accounts and real
23 property, which is essential so that plaintiffs MISSION and
24 CHURCH can carry on their religious activities.

25 52. On or about November 29, 1982, defendant BENT CORYDON
26 caused to be filed with the Secretary of State of the State of
27 California Articles of Incorporation of defendant CHURCH OF
28 SCIOLOGOS.

EXHIBIT A

53. On or about December 9, 1982, defendant BENT CORYDON stated that the purported "leaders" of plaintiff MISSION, including himself, had "severed" themselves from the Mother Church for plaintiffs MISSION and CHURCH, and that plaintiff MISSION's Board of Directors had made its decision to "sever" plaintiffs MISSION and CHURCH from the Mother Church for Missions on November 24, 1982, all of which was contrary to plaintiff MISSION's Articles and Bylaws.

54. On or about December 9, 1982, defendant BENT CORYDON falsely stated that the deeds to the real property of plaintiffs MISSION and CHURCH were in the hands of defendant CHURCH OF SCIOLOGOS, which, he stated, included defendants BENT CORYDON, MARY CORYDON, MARK LUTOVSKY, DOROTHY A. KOLB, ROBERT CHAMBERS, JEFF NICHOLS, and PHILLIP BLACK.

55. On or about December 22, 1982, defendants purported to "merge" plaintiff MISSION into defendant CHURCH OF SCIOLOGOS by filing documents with the Secretary of State of the State of California. A true copy of the purported "merger" document is attached hereto as Exhibit "F," and incorporated herein by reference as though set forth in full.

56. An actual controversy has arisen and now exists between plaintiffs and defendants concerning their respective rights and duties in that plaintiffs contend that defendants BENT CORYDON, MARY CORYDON and MARK LUTOVSKY were not lawful directors of plaintiff MISSION at the time the purported "merger" agreement, Exhibit "F," was filed with the California Secretary of State, that said "merger" agreement was contrary to plaintiff MISSION'S Articles and Bylaws, and that said

EXHIBIT A

1 "merger" agreement is null and void; and defendants deny all of
2 plaintiffs' above-stated contentions.

3 57. Plaintiffs MISSION and CHURCH desire a judicial
4 determination of their rights and duties and a written
5 declaration as to the rights, duties and obligations of
6 defendants, and each of them, in regard to the corporate status
7 of plaintiff MISSION; and specifically seek a declaration that
8 plaintiff MISSION is a valid, existing, separate corporation
9 and that the purported "merger" of plaintiff MISSION into
10 defendant CHURCH OF SCIOLOGOS was null and void.

11 58. A judicial declaration is necessary and appropriate at
12 this time under the circumstances in order that plaintiff
13 MISSION may ascertain its rights and duties as a valid,
14 existing, separate non-profit religious corporation under the
15 law so that plaintiffs MISSION and CHURCH can carry on their
16 religious activities in accordance with plaintiff MISSION's
17 Articles and Bylaws.

18
19 EIGHTH CAUSE OF ACTION

20 59. Plaintiffs, and each of them, allege as an Eighth
21 Cause of Action against defendants, and each of them, for
22 Injunctive Relief as follows:

23 60. Plaintiffs repeat and reallege each and every
24 allegation contained in Paragraphs 1 through 19, Paragraph 23,
25 Paragraphs 39 through 43, and Paragraphs 52 through 55 above
26 and incorporate them herein by reference as though fully set
27 forth.

28 61. Unless preliminarily and permanently enjoined by this

1 Court, defendants, and each of them, will continue their
2 illegal and unauthorized possession and control of personal
3 property and real property of plaintiffs MISSION and CHURCH,
4 and there exists no adequate remedy at law. The real property
5 is unique because its location is uniquely associated with
6 plaintiffs MISSION and CHURCH; the personal property is largely
7 unique in character because the religious materials and files
8 held by defendants are different as to each individual
9 parishioner and monetary damages alone, as a matter of law,
10 cannot adequately compensate plaintiffs for the unauthorized
11 and illegal seizure of said personal property and the illegal
12 transfer of said real property.

13 WHEREFORE, plaintiffs, and each of them, pray for judgment
14 as follows:

15 AS TO THE FIRST CAUSE OF ACTION AGAINST BENT CORYDON, MARY
16 CORYDON and MARK LUTOVSKY:

17 1. For general damages in the sum of seven hundred fifty
18 thousand dollars (\$750,000), and special damages according to
19 proof at time of trial.

20 2. For punitive damages in the amount of seven hundred
21 fifty thousand dollars (\$750,000).

22 AS TO THE SECOND CAUSE OF ACTION AGAINST BENT CORYDON, MARY
23 CORYDON and MARK LUTOVSKY:

24 1. For a court order to defendants BENT CORYDON, MARY
25 CORYDON and MARK LUTOVSKY to account for any profits made from
26 self-dealing transactions.

27 2. For a court order to defendants BENT CORYDON, MARY
28 CORYDON and MARK LUTOVSKY to pay such profits to plaintiffs

MISSION and CHURCH.

3. For a court order to defendants BENT CORYDON, MARY CORYDON and MARK LUTOVSKY to pay to plaintiffs MISSION and CHURCH the value of the use of the property while it was wrongfully in the possession of said defendants.

4. For a court order to defendants BENT CORYDON, MARY CORYDON and MARK LUTOVSKY to return the real property unlawfully transferred from plaintiffs MISSION and CHURCH as a result of such self-dealing transactions by way of a cancellation of the Trust Deeds, Grant Deeds and Quitclaim Deeds, Exhibits "C" and "C-1," "D" and "D-1," and "E" and "E-1."

5. That defendants BENT CORYDON, MARY CORYDON and MARK LUTOVSKY be ordered to pay to plaintiffs MISSION and CHURCH an award of prejudgment interest to the extent allowed in Sections 3287 and 3288 of the Civil Code.

6. For punitive damages in the amount of seven hundred fifty thousand dollars (\$750,000).

AS TO THE THIRD CAUSE OF ACTION AGAINST BENT CORYDON, MARY CORYDON and MARK LUTOVSKY:

1. For a court order stating that the Deeds of Trust, Grant Deeds, and Quitclaim Deeds attached hereto as Exhibits "C" and "C-1," "D" and "D-1," and "E" and "E-1" are void and cancelling them.

2. For a Writ of Possession granting to plaintiffs MISSION and CHURCH the right of immediate physical possession and control of the real property.

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EXHIBIT A

1 AS TO THE FOURTH CAUSE OF ACTION AGAINST ALL DEFENDANTS:

2 1. For a judgment that plaintiffs MISSION and CHURCH are
3 the owners in fee simple of the property and that defendants
4 BENT CORYDON and MARY CORYDON have no interest in said property.

5 AS TO THE FIFTH CAUSE OF ACTION AGAINST ALL DEFENDANTS:

6 1. For general and special damages according to proof.
7 2. For punitive damages in an amount of one hundred
8 thousand dollars (\$100,000).

9 AS TO THE SIXTH CAUSE OF ACTION AGAINST ALL DEFENDANTS:

10 1. For the impression of a constructive trust upon any
11 property of the plaintiffs MISSION and CHURCH, including, but
12 not limited to, personal property, real property and bank
13 accounts.

14 AS TO THE SEVENTH CAUSE OF ACTION AGAINST ALL DEFENDANTS:

15 1. For a judicial determination of the rights and duties
16 of the plaintiffs.

17 2. For a declaration as to the rights, duties and
18 obligations of defendants, and each of them, in regard to the
19 possession of the personal property described in Paragraph 39
20 above and with reference to the real property described in
21 Paragraph 14 and the Trust Deeds, Grant Deeds and Quitclaim
22 Deeds attached hereto as Exhibits "C" and "C-1," "D" and "D-1,"
23 and "E" and "E-1."

24 3. For a judicial determination of the rights of the
25 plaintiffs and the corporate status of plaintiff MISSION.

26 4. For a declaration that the purported "merger" of
27 plaintiff MISSION into defendant CHURCH OF SCIOLOGOS was null
28 and void, and that plaintiff MISSION is and continues to be a

EXHIBIT A

1 valid, separate legal entity.

2 AS TO THE EIGHTH CAUSE OF ACTION AGAINST ALL DEFENDANTS:

3 1. For a preliminary and permanent injunction against
4 defendants, and each of them, enjoining said defendants from
5 further transfers of the real and personal property of
6 plaintiffs MISSION and CHURCH.

7 AS TO ALL CAUSES OF ACTION:

- 8 1. For costs of suit incurred herein.
9 2. For such other and further relief as the Court may
10 deem just and proper.

11
12 DATED: January 11, 1983

13
14 ROBERT N. HARRIS,
15 a Professional Corporation
16 TRABISH & PETERSON

17 BY: /s/ ROBERT N. HARRIS
18 ROBERT N. HARRIS
19 Attorneys for Plaintiffs
20
21
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28

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION

ENDORSED
FILED

In the office of the Secretary of State
of the State of California

OCT 13 1982

MARCH FONG EU, Secretary of State

By JAMES E. HARRIS
Deputy

CHURCH OF SCIENTOLOGY MISSION OF RIVERSIDE

Paul Boyde (mission name) Carolyn A Ammons
Paul Boyde and Carolyn A Ammons do hereby certify:
(President) (Secretary)

1. That they are the duly elected and acting
President and Secretary of (name) MISSION OF RIVERSIDE
MISSION OF RIVERSIDE, a California Nonprofit Religious Corporation;

2. That the Articles of Incorporation of this
Corporation are amended and restated to read as stated in
Exhibit A attached hereto and included herein by this
reference;

3. That the aforementioned Restated Articles of
Incorporation of Church of Scientology Mission of (name) RIVERSIDE
RIVERSIDE, consisting of 6 pages, constitutes the full,
true and correct Restated Articles of Incorporation of said
Corporation as adopted by unanimous vote of the Board of
Trustees on the 4th day of OCTOBER, 1982; and
date month

4. That, the voting members being those persons who
from time to time shall serve as the Directors of the
corporation, this Restatement is adopted by the Board of
Directors/Voting Members.

Paul Boyde
President
CHURCH OF SCIENTOLOGY MISSION OF RIVERSIDE
(mission name)

Carolyn A Ammons
Secretary
CHURCH OF SCIENTOLOGY MISSION OF RIVERSIDE
(mission name)

The undersigned declare under penalty of perjury that the
matters set forth in the foregoing certificate are true of
their own knowledge.

Executed at RIVERSIDE, California on 4 OCT 1982.
(Location) (City) (date)

Paul Boyde Carolyn A Ammons
President Secretary

EXHIBIT A

EXHIBIT "A"

EXHIBIT A
RESTATED ARTICLES OF INCORPORATION
OF
CHURCH OF SCIENTOLOGY MISSION OF RIVERSIDE
(name)

Pursuant to Section 9620 of the California Nonprofit Religious Corporation Law (and in accordance with Section 5819 of the California Corporations Code) and as directed by unanimous vote of the Board of Trustees, the Articles of Incorporation of (name) CHURCH OF SCIENTOLOGY MISSION OF RIVERSIDE are hereby amended and restated as follows:

ARTICLES OF INCORPORATION
OF
CHURCH OF SCIENTOLOGY MISSION OF RIVERSIDE
(name)

ARTICLE ONE

Name of the Corporation

The name of the Corporation shall be CHURCH OF SCIENTOLOGY
MISSION OF RIVERSIDE. (name)

ARTICLE TWO

Duration of the Corporation

The duration of the Corporation shall be perpetual.

Restated Articles of Incorporation

ARTICLE THREE

Purpose of the Corporation

This Corporation is a religious corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Religious Corporation Law primarily and exclusively for religious purposes. Its purpose is to espouse, present, propagate, practice, ensure, and maintain the purity and integrity of the religion of Scientology, as the same has been developed and may be further developed by L. Ron Hubbard to the end that any person wishing to, and participating in, Scientology may derive the greatest possible good of the spiritual awareness of his Beingness, Doingness and Knowingness. More particularly, the Corporation is formed for the purpose of providing a corporate organization through which and by means of which the operations and activities of the Church, which as a church is subject to the ultimate ecclesiastical authority of Scientology Missions International, a Nonprofit Religious Corporation, and its respective successors in ecclesiastical authority, may be accomplished. More particularly, the Corporation is formed for the accomplishment, without limitation, of the following more specific purposes:

a. To serve as a means of promulgating and administering the religious faith of Scientology; and

b. To regulate and conduct religious services, including worship, for its parishioners; and

c. To conduct religious and educational activities of various kinds; and

d. To foster and enhance the spiritual welfare of its followers.

ARTICLE FOUR

Power of the Corporation and Limitations Thereon

In the conduct of its activities and the accomplishment of its purposes, the Corporation shall have, shall enjoy, and may exercise, to their fullest extent, all powers which Nonprofit Religious Corporations are permitted by law to have and to enjoy; PROVIDED HOWEVER, that:

a. The property of the Corporation is irrevocably dedicated to religious purposes, meeting the requirements for exemption provided by Section 214 of the Revenue and Taxation Code, and no part of the income or assets of the Corporation shall ever inure to the benefit of any private party or individual; and

b. No substantial part of the activities of the Corporation shall be devoted to attempts to influence legislation, by propaganda or otherwise, and the Corporation shall not participate or intervene, directly or indirectly, in any political campaign on behalf of or in opposition to any candidate for public office; and

c. The Corporation shall not carry on any activities not permitted to be carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954, or successor statutes of similar import, nor shall the Corporation carry on any activities not permitted to be carried on by an organization exempt from California tax under Section 23701(d) of the Revenue and Taxation Code, as amended.

Page 4

Restated Articles of Incorporation

d. The Corporation shall not carry on any activities not permitted to be carried on by a Corporation described in Section 170(c)(2), contributions to which are deductible under Section 170(a) of the Internal Revenue Code of 1954, or successor statutes of similar import.

ARTICLE FIVE

Initial Registered Agent

The Corporation's initial registered agent at the address of its registered office is omitted in this Restatement as required by Section 5819 of the Corporations Code.

ARTICLE SIX

Number, Names and Addresses of
Initial Directors of the Corporation

The number of Directors constituting the Corporation's Board of Directors shall be three (3). The names and addresses of the persons who are to serve as the Corporation's initial Directors are omitted in this Restatement as required by Section 5819 of the Corporations Code.

ARTICLE SEVEN

No Members of the Corporation

This Corporation shall have no members.

ARTICLE EIGHT

Disposition of the Corporation's Assets
Upon Dissolution

In keeping with the religious purposes to which the Corporation's property is irrevocably dedicated, upon the winding up and dissolution of the Corporation, and after payment of, or adequate provision is made for, its debts and obligations, the Corporation's remaining assets shall be distributed to one or more nonprofit funds, foundations, trusts or corporations which are organized and operated exclusively for religious purposes, and which have established or are entitled to receive tax exempt status under Section 501(c)(3) of the Internal Revenue Code of 1954, or successor statutes of similar import, and which would then meet the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code, as amended.

ARTICLE NINE

Amendment of the Corporation's
Articles of Incorporation

Notwithstanding any provision of the law permitting their amendment upon the affirmative act of less than all of the Corporation's incumbent Directors, the Articles of Incorporation of this Corporation may be amended only upon both the unanimous act of the Mission Holder (as defined in the Bylaws) and the unanimous vote of the Directors of the Corporation then incumbent.

Page 6

Restated Articles of Incorporation

Authority to Adopt This Restatement

Pursuant to Article *10*. of the Original Articles of Incorporation, and as there are no members entitled to vote, the Board of Trustees alone is entitled to adopt these Restated Articles of Incorporation amending the Original Articles of Incorporation, and no approval of any other person or persons is required.

* * * * *

**BYLAWS
OF
CHURCH OF SCIENTOLOGY MISSION OF RIVERSIDE**

(mission name)

(A Nonprofit Religious Corporation formed and operated
pursuant to the laws of the State of California)

PREAMBLE

The (name) MISSION OF RIVERSIDE (hereinafter referred to as "the Corporation"), an association of persons having incorporated exclusively for religious purposes under the laws of the State of California as the same relate to nonprofit religious corporations, does by these Bylaws prescribe the manner in which and the officers and agents by whom such purposes shall be accomplished.

ARTICLE I

The Church

The Corporation shall accomplish its purposes through and by means of the operations and activities of a church known as the "MISSION OF RIVERSIDE" and hereinafter referred to as "the Church".

The Church is and shall be one of the many churches within and without the United States which have been and will be organized for the purposes of the religion of Scientology, all bound together as elements of one international and hierarchical church by voluntary and self-determined agreement upon and adherence to the following:

1. The goals, tenets, doctrines, codes, Creed, policies and practices set forth in the Scriptures (as hereinafter defined); and

EXHIBIT "B"

Bylaws of the church

2. Recognition of the ecclesiastical authority of the hierarchy of the Mother Church for Missions; and

3. Governance in ecclesiastical matters by said hierarchy.

The Directors, Officers and agents of the Corporation shall be bound by and shall observe the foregoing to the end that the operations and activities of this Corporation shall support and maintain the Church as a church of Scientology in good standing with the Mother Church for Missions; subject, however, at all times and in every respect to the paramount requirement of observance of and compliance with all applicable laws, and the provisions of the Articles and of these Bylaws.

ARTICLE II
Definition of Terms

As they are used in these Bylaws

a. "Articles" shall mean the Articles of Incorporation of this Corporation filed on 4 Oct 1982, as may be amended from time to time.

(date)

b. "Bylaws" shall mean the code of rules prescribed herein, which are subordinate in authority to the Corporation's Articles and which are to be used, adopted and recognized for the regulation and management of the affairs of the Corporation.

c. "Religion of Scientology" and "Scientology" shall mean the religious doctrines, beliefs, tenets, practices, applied religious philosophy and technology for its application as developed by L. Ron Hubbard and as the same may hereafter be developed by L. Ron Hubbard.

Bylaws of the church

d. "Scriptures" shall mean the writings and recorded spoken words of L. Ron Hubbard with respect to Scientology and organizations formed for the purposes thereof.

e. "Mother Church for Missions" and "hierarchy of the Mother Church for Missions" shall mean the ecclesiastical hierarchy presently organized and operating under the aegis of Scientology Missions International, a Nonprofit Religious Corporation, and its respective successors in ecclesiastical authority, and shall not mean or be construed to mean or refer to said Nonprofit Religious Corporation.

f. "Mission Holder" shall mean that individual entrusted by the Mother Church for Missions and the Church with the communication and dissemination of the Scriptures to this Church for the Parish and the handling of all other ecclesiastical matters.

g. "Parish" shall mean that geographical area for which this Church has been Chartered by the Mother Church for Missions and the population thereof.

h. "Notice" shall mean written notice actually received by the prescribed recipient not less than three (3) days prior to the event of which notice is given, written notice actually delivered to the prescribed recipient not less than three (3) days prior to the event of which notice is given, or written notice mailed to the prescribed recipient of the notice, by first class mail, not less than five (5) days prior to the event of which notice is given.

i. "Mailed" shall mean deposited in the United States mail, postage prepaid, addressed according to the records of the Corporation.

j. Unless the context in which they are used clearly requires otherwise, terms denoting number shall include both the singular and the plural, and terms denoting gender shall include all of the masculine, the feminine, and the neuter.

Bylaws of the church

ARTICLE III

Purposes

The Corporation shall espouse, present, propagate, practice, ensure and maintain the purity and integrity of the religion of Scientology, as the same has been developed and may be further developed by L. Ron Hubbard to the end that any person desiring participation, or participating, in Scientology may derive the greatest possible good of increased awareness as an immortal spirit.

It is the belief of the Church that Scientology is the organization of the fundamentals of existence into axioms and workable technologies in the tradition of the exact sciences for resolving problems of life and thought and for the freedom of the human spirit. That he who asks a question is closest to the answer, that every question contains its own answer, and further that every problem contains its own solution, and that the technologies of Scientology are of such a nature that a person with a question or a problem may be spiritually assisted or guided to the end that the person is able to answer his own questions and resolve his own problems. Scientology Technology is a body of truths and methods of application, developed by L. Ron Hubbard from his observations and research, which when correctly applied can reveal the soul of man, extend his knowledge of the Infinite Being to him, and make known what is knowable about God.

Believing that man's best evidence of God is the God he finds within himself, and trusting with enduring faith that the Author of the Universe intended life to thrive within it, the Corporation is founded with the following general goals:

- a. Establishment of a religious body and entity in its Parish to promote, protect, administer and encourage the religion of Scientology and its goals;
- b. Foundation, construction and use of a church, establishments, tutorial

Bylaws of the church

schools, parsonages, centers of training and other centers in its Parish, for the teaching, dissemination and administration of the religion of Scientology, which aspires to the religious and ethical guidance and improvement of the individual character, and also to better and clarify the human spirit;

c. Publication and distribution of religious literature and other sectarian aids in order to propagate and disseminate Scientology;

d. Establishment of religious cultural centers; and

e. Minister to the spiritual needs of the parishioners and congregants of the Church through the conduct of services, both group and individual.

ARTICLE IV

Creed

The Church subscribes, and its object is and purposes are that all of Mankind may subscribe to and practice the following Creed:

We of the Church believe:

That all men of whatever race, color or creed were created with equal rights.

That all men have inalienable rights to their own religious practices and their performance.

That all men have inalienable rights to their own lives.

That all men have inalienable rights to their sanity.

That all men have inalienable rights to their own defense.

That all men have inalienable rights to conceive, choose, assist and support their own organizations, churches and governments.

That all men have inalienable rights to think freely, to talk freely, to write freely their own opinions and to counter or utter or write upon the opinions of others.

That all men have inalienable rights to the creation of their own kind.

That the souls of men have the rights of men.

That the study of the mind and the healing of mentally caused ills should not be alienated from religion or condoned in nonreligious fields.

And that no agency less than God has the power to suspend or set aside these rights, overtly or covertly.

Bylaws of the church

And we of the Church believe
That man is basically good.
That he is seeking to survive.
That his survival depends upon himself and upon his fellows, and his attainment
of brotherhood with the Universe.

And we of the Church believe that the laws of God forbid Man
To destroy his own kind
To destroy the sanity of another
To destroy or enslave another's soul
To destroy or reduce the survival of one's companions or one's group.

And we of the Church believe
That the spirit can be saved and
That the spirit alone may save or heal the body.

ARTICLE V

Membership

Section 1. Classification. The Corporation shall have no members. It shall instead have parishioners who shall not be entitled to vote.

Section 2. Purpose of Affiliation. The Church believes that a person participating in the spiritual exercises of the Church may profit to such an extent that the person may become aware of his spiritual nature, capable of self determination, self discipline and a realization of his creative abilities; thus ordinary problems of life should be easily resolved or be of little or no concern. Therefore, such a person would be better able to contribute to the welfare of his fellow man, Society and the Nation. Such a state of Beingness of Mankind is the goal of the Church.

The Church further believes that man's attainment of advanced levels of spiritual awareness frees the spirit from the mind and body giving the spirit immortality. This in turn will increase life and livingness while diminishing the influence of death or death like factors which act as stops and distractions to life.

Bylaws of the church

During the term of affiliation with the Church, the parishioners shall agree to abide by the Scriptures, especially the Creed, Auditor's Code and the Scientology Code of Honor.

ARTICLE VI

Mission Holder

Section 1. Purpose. The Mission Holder shall be designated by the Board of Directors to liaise with the Mother Church for Missions. The Mission Holder is, and shall at all times be, the most senior ecclesiastical authority of the Church and shall govern at all times in matters ecclesiastical. In addition the Mission Holder shall annually select and appoint Directors, which (including those duties described in Article VII herein) shall be his sole secular duty.

Section 2. Qualifications. A Mission Holder shall possess and continue to possess the following qualifications:

- a. Well-versed in the Scriptures;
- b. Well-versed in the Scientology Ethics and Justice System;
- c. In Good Standing (as that term is defined in the Scriptures) with the Mother Church for Missions.

Section 3. Death, Resignation or Disqualification.

In the event the Mission Holder dies, resigns or becomes disqualified for failure to continue to meet the qualifications set forth in Section 2 of this Article VI, the post of Mission Holder shall be filled by the next most senior ecclesiastical post in the Church. Should the vacancy not be filled within ten (10) days of its occurrence, then such post shall be filled by the senior ecclesiastical post in the Mother Church for Missions.

ARTICLE VII

Board of Directors

Section 1. Function and Authority of the Board

a. Generally. The activities and affairs of the Corporation, as distinguished from the ecclesiastical affairs of the Church, shall be managed and conducted, and all corporate powers shall be exercised, by or under the direction of a Board of Directors ("Board"), consisting of three (3) natural persons. The authorized number of Directors may be changed by a bylaw amending this Section 1(a) duly adopted by the unanimous vote of the then authorized Director, or Directors. The Board in general shall have all applicable powers conferred, permitted, or authorized by law as directors of a nonprofit religious corporation, including the power to purchase, lease, encumber by mortgage or deed of trust, sell, pledge and convey property of the Corporation, and to borrow funds for the use and benefit of the Corporation. The Board shall have access at all times to the books and records of the Corporation.

b. Particular Functions More particularly, and without limiting its power and authority in general, the Board may, in its sole discretion:

i. Borrow money and incur indebtedness on behalf of the Corporation, and cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trusts, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor;

ii. Make and perform such contracts as are necessary or convenient to attain or further the purposes and objects of the Corporation, as set forth in the Articles and in these Bylaws;

iii. Delegate to the Corporation's officers, or to other agents, regular and special duties of the Board, the delegation of which is permitted by law and consistent with the Articles;

iv. Publish and disseminate books, periodicals, pamphlets, tracts,

Bylaws of the church

sermons, films, tapes and pictures in furtherance of the purposes of the Corporation; and

v. Change the principal office of the Corporation from one location to another within its Parish, and establish and locate subsidiary offices of the Corporation within its Parish.

c. Special Duty of the Board. It shall be a special duty of the Board to assure

i. That no part of the net earnings of the Corporation inures to the benefit of any person;

ii. That no substantial part of the activities of the Corporation are directed to influencing legislation by propaganda or otherwise;

iii. That the Corporation and its agents refrain from participation or intervention in any political campaign on behalf of or in opposition to any candidate for public office;

iv. That the property, assets and net income of the Corporation remain irrevocably dedicated to charitable and religious purposes; and

v. That, upon the dissolution or winding up of the Corporation, its assets remaining after payment of or provisions for payment of all debts and liabilities of the Corporation are distributed to a nonprofit fund, foundation, or corporation which is organized and operated primarily and exclusively for charitable and religious purposes, and which is exempt from general income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1954, as amended and Section 23701(d) of the Revenue and Taxation code, as amended.

Section 2. Selection and Tenure of Directors

a. Selection. Directors shall be selected annually by the Mission Holder. The Mission Holder shall fill all vacancies on the Board. A Director shall hold office for one year or until his successor is selected by the Mission Holder. A Director may serve a number of consecutive terms.

b. Compensation. A Director shall receive no compensation for his

Bylaws of the church

service as a Director, but shall be entitled to reimbursement for expenses incurred on behalf of the Corporation, whether or not such expenses are incurred in his capacity as a Director.

c. Qualifications. In order to serve as a Director and in order to continue to serve as a Director, each Director shall be a person who possesses and continues to possess the following qualities and attributes. That is to say, a person may serve and continue to serve as a Director only so long as he is and remains:

- i. Well-versed in the Scriptures;
- ii. Well-versed in the Scientology Ethics and Justice system;
- iii. In Good Standing with the Mother Church for Missions; and
- iv. Has attained the age of majority.

d. Removal. Upon affirmative action of the Mission Holder, a director may be removed on the following grounds:

- i. Failure to continue to meet the qualifications set forth in subparagraphs (i) through (iii) of subsection (c) above;
- ii. Failure to exercise the duties of a Director in pursuance of the goals, aims and purposes of the Corporation, the Church and Scientology, as set forth in Articles I through IV of these Bylaws.

Section 3. Meetings of Directors

a. Call of Special Meetings. Special meetings of the Board may be called by any Director or by the President.

b. Notice. Notice of all special meetings of the Board, or of an annual meeting to be held at a time or place other than a time or place fixed by resolution of the Board, shall be given to each Director.

c. Waiver of Notice. Transactions of any meeting of the Board, however called, however noticed, and wherever held, are as valid as though

Bylaws of the church

adopted at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each Director not present signs a written waiver of notice and consent to the holding of such meeting. A Director shall be deemed to have waived notice and consented to the holding of a meeting if he votes to approve the minutes thereof or signs a copy of the minutes. All such waivers or consents shall be filed with the minutes of meetings of the Board. Notice of a meeting shall also be deemed given to any Director who attends a meeting without protesting, before or at its commencement, the lack of proper notice to him.

d. Quorum. A majority of the Directors authorized shall constitute a quorum of the Board for transaction of business or for taking of action which may be taken with less than unanimous consent of all Directors.

e. Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned.

f. Regular, Annual and Special Meetings. Meetings of the Board shall be held no less often than annually. Meetings designated as annual meetings shall be held in the month of June of each year. Meetings other than annual meetings shall be called regular meetings or special meetings. The time and place of annual meetings may be fixed by unanimous resolution of the Board and, once so fixed, shall not be subject to the notice requirements of subsection (b).

g. Use of Conference Telephones. The Board may meet through the use of conference telephone facilities or similar communication equipment, so long as all those participating in the meeting can hear and address one another.

h. Action without a Meeting. Any action required or permitted to

Bylaws of the church

be taken by the Board may be taken without a meeting if each Director consents in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the full Board. Such written consent or consents shall be filed with the minutes of the meetings of the Board.

ARTICLE VIII

Officers of the Corporation

Section 1. Required Officers. Officers of the Corporation, as distinguished from ecclesiastical posts, shall be elected by majority vote of the Board, and shall include a President, a Secretary, and a Treasurer, each of whom shall serve at the pleasure of the Board. Each of said offices may be held by a person who is also a Director. The Board may elect the same person to the offices of Secretary and Treasurer. Neither the Secretary nor the Treasurer shall concurrently serve as President of the Corporation.

Section 2. Optional Officers. The Board may elect one or more Vice-Presidents, and one or more Assistant Secretaries and Assistant Treasurers and such other subordinate officers as the Board shall from time to time deem appropriate.

Section 3. Duties of Officers

a. The President shall have general supervisory responsibility for the business affairs of the Corporation. In addition, he shall perform all other acts and duties which the Board shall direct. The President shall be the Chief Executive Officer of the Corporation, to whom other officers and their agents shall report and be responsible for the proper performance of their duties.

b. The Vice-President, if any, shall carry out such duties on behalf of the Corporation as may be assigned to him by the Board or by the President. In the absence or disability of the President, the duties of the

Bylaws of the church

President shall be discharged by the Vice-President.

c. The Treasurer shall be the Chief Financial Officer of the Corporation and shall have custody of its corporate funds, books and financial records. The Treasurer shall have authority to receive and accept money, collect debts, open bank accounts, and make disbursements in the name of the Corporation. The Treasurer shall keep or cause to be kept proper books of account reflecting all business done by the Corporation and of all monies received and disbursed, and shall prepare or cause to be prepared financial statements at the request of the Board. The Treasurer shall deposit all money and other valuables in the name and to the credit of the Corporation, with such depositories as may be designated by the Board. The Treasurer shall disburse funds of the Corporation at the direction of the Board. The Treasurer shall, whenever requested to do so by the President or Board, account for all transactions engaged in or authorized by him as Treasurer.

d. The Assistant Treasurer, if any, shall carry out such duties on behalf of the Corporation as may be assigned or delegated to him by the Board, by the President, or by the Treasurer. In the absence or disability of the Treasurer, the Assistant Treasurer shall discharge the duties of the Treasurer.

e. The Secretary shall keep or cause to be kept a book of minutes of all meetings of the Board and of the meetings of any committee for which the Board requires that minutes be kept. The Secretary shall keep or cause to be kept, at the principal office of the Corporation, a copy of these Bylaws. The Secretary shall keep the seal of the Corporation and shall attest all certificates or other legal documents requiring certification on behalf of the Corporation. The Secretary shall record all actions of the Mission Holder taken in regards to the Board as described in these Bylaws.

f. The Assistant Secretary, if any, shall carry out such duties on behalf of the Corporation as may be assigned or delegated to him by the Board, by the President, or by the Secretary. In the absence or disability of the Secretary, the Assistant Secretary shall discharge the duties of the Secretary.

bylaws of the church

Section 4. Execution of Contracts. Contracts, instruments of conveyance or encumbrance, or other obligations of the corporation may be executed and delivered on behalf of the Corporation by any two (2) officers of the Corporation unless the Board provides otherwise by resolution.

ARTICLE IX

Liability of Directors and Officers

Directors, Officers, and other agents of the Corporation, and the property of such persons, shall not be subject to or chargeable with payment of Corporation debts or obligations.

ARTICLE X

Ministers and Affiliation

Section 1. Code of Conduct. This Church shall ask and require from its ordained ministers conformity with the following minister's code (known as the Scientology Auditor's Code), relating to the spiritual ministration to, and guidance of, all parishioners and confessants:

I HEREBY PROMISE AS AN AUDITOR TO FOLLOW THE AUDITOR'S CODE.

1. I promise not to evaluate for the preclear or tell him what he should think about his case in session.
2. I promise not to invalidate the preclear's case or gains in or out of session.
3. I promise to administer only Standard Tech to a preclear in the standard way.
4. I promise to keep all auditing appointments once made.
5. I promise not to process a preclear who has not had sufficient rest and who is physically tired.
6. I promise not to process a preclear who is improperly fed or hungry.
7. I promise not to permit a frequent change of auditors.

Bylaws of the church

8. I promise not to sympathize with a preclear but to be effective.
9. I promise not to let the preclear end session on his own determinism but to finish off those cycles I have begun.
10. I promise never to walk off from a preclear in session.
11. I promise never to get angry with a preclear in session.
12. I promise to run every major case action to a floating needle.
13. I promise never to run any one action beyond its floating needle.
14. I promise to grant beingness to the preclear in session.
15. I promise not to mix the processes of Scientology with other practices except when the preclear is physically ill and only medical means will serve.
16. I promise to maintain communication with the preclear and not to cut his comm or permit him to overrun in session.
17. I promise not to enter comments, expressions or enturbulence into a session that distract a preclear from his case.
18. I promise to continue to give the preclear the process or auditing command when needed in the session.
19. I promise not to let a preclear run a wrongly understood command.
20. I promise not to explain, justify or make excuses in session for any auditor mistakes whether real or imagined.
21. I promise to estimate the current case state of a preclear only by Standard Case Supervision data and not to diverge because of some imagined difference in the case.
22. I promise never to use the secrets of a preclear divulged in session for punishment or personal gain.
23. I promise to never falsify work-sheets of sessions.
24. I promise to see that any donation received for processing is refunded following the policies of the Claims Verification Board, if the preclear is dissatisfied and demands it within three months after processing, the only condition being that he may not again be processed or trained.
25. I promise not to advocate Dianetics or Scientology only to cure illness or only to treat the insane, knowing well they were intended for spiritual gain.
26. I promise to cooperate fully with the authorized organizations of Dianetics and Scientology in safeguarding the ethical use and practice of those subjects.
27. I promise to refuse to permit any being to be physically injured, violently damaged, operated on or killed in the name of "mental treatment".
28. I promise not to permit sexual liberties or violations of patients.
29. I promise to refuse to admit to the ranks of practitioners any being who is insane.

Section 2. Terminations. Affiliation with the Church, certifications, or other special dispensations, or recognitions, shall terminate, by direction of the

Bylaws of the church

Board, for the following causes

- a. Death,
- b. Resignation,
- c. Actions deemed contrary to the principles, purposes, aims, code, ecclesiastical letters, policies, covenants, agreements, the Bylaws of this Corporation and Scientology.

Section 3. Return of Property. Upon any termination, pursuant to Section 2 of this Article X, then the person whose status has been terminated shall be required immediately to return to the Corporation or Church any and all real and personal property issued to such person by this Corporation or Church.

Section 4. Discretion of the Board. Pursuant to the Scriptures, particularly the Ethics and Justice system of Scientology, affiliation may be denied or revoked for cause deemed to be sufficient by the Board in their sole discretion.

ARTICLE XI

Principal Office

The Corporation's principal office shall be located at such place, within the State of California and within the Church's Parish, as a majority of the Board may, in its discretion, determine from time to time.

ARTICLE XII

Seal

The Corporation shall have a seal, the form of which shall be determined and adopted by the Board.

ARTICLE XIII

Amendments

Unless otherwise provided in these Bylaws, these Bylaws may be amended or repealed and new Bylaws adopted by unanimous vote of the Board; provided that amended Bylaws or new Bylaws do not jeopardize the tax-exempt status of this Corporation, do not alter the purposes of this Corporation or the qualifications required of its Directors, and do not contravene the Scriptures.


CERTIFICATION

We, the undersigned, do hereby certify:

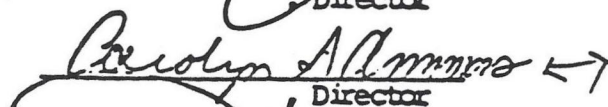
1. That we are the Directors of (name) MISSION OF RIVERSIDE, a non profit religious corporation incorporated under the laws of the State of California; and

2. That the foregoing Bylaws constitute the Bylaws of said Corporation, as duly adopted at a meeting of the Directors of said Corporation, held on the 4 th day of OCTOBER, 1982
(day) (month)

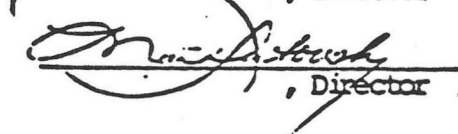
IN WITNESS WHEREOF, we have hereunto subscribed our names
this 4th day of OCTOBER, 1982
(day) (month)



Director



Director



Director

76SB188 (Rev. 1-79) PS 1-81

EXHIBIT A

This is an All Inclusive Deed of Trust securing a Note for \$110,000.00 and is subject and subordinate to:

A First Deed of Trust now of record securing a Note in favor of James F. Davidson, Jr., a married man, as his separate property, as to an undivided 1/3 int.; Arthur F. Mumper, a married man as his separate property, as to an undivided 1/3 int.; and Howard R. Hays, Jr., a married man as his separate property, as to an undivided 1/3 int., with an unpaid principal balance owing of approximately \$27,764.02.

Should the within Beneficiary default in payment of any obligation or breach any covenant of any prior encumbrances to which this Deed of Trust is subject and subordinate, the Trustor herein may make said payments, including late charges, penalties and/or advances direct to the Beneficiary thereof. In the event the Beneficiary hereunder, his heirs, or assigns, have filed bankruptcy, Trustor may make all payments due hereunder direct to the holder(s) of prior encumbrance(s) and any and all payments so made shall be credited against the installments due on the note(s) secured hereby.

Beneficiary agrees that in the event of foreclosure of this All Inclusive Deed of Trust, he shall at the Trustee's sale bid an amount representing the amount then due upon the obligation or obligations, including late charges, penalties and/or advances, secured hereby, less the then actual total balance due upon any obligation(s), including late charges, penalties and/or advances, secured by any and all Deeds of Trust having priority over this All Inclusive Deed of Trust and covering the within described real property or any portion thereof, plus any advances or other disbursement(s) which Beneficiary, his successors or assigns, may by law be permitted to include in this bid. After issuance of a Trustee's Deed, by reason of a foreclosure action instituted on this Deed of Trust, all covenants and agreements contained in this All Inclusive language shall cease as between the parties hereto.

END RECORDED DOCUMENT

EXHIBIT A

(See reverse for Proof of Service)

SUMMONS

76SB188 (Rev. 1-79) PS 8-81 CCP 412.20, 412.30.

EXHIBIT "C-1"

EXHIBIT "A"

In the City of Riverside, County of Riverside, State of California, and described as follows:

Commencing at the Southeast corner of Block 7, Page 3, as shown by Map of the CITY OF RIVERSIDE, recorded in Book 7, page 17 of Maps, records of San Bernardino County, California:

Thence Westerly along the Northerly line of University Avenue (formerly Eight Street), 109 feet;

Thence at a right angle Northerly and parallel with the Westerly line of Lemon Street, 50 feet;

Thence at a right angle Westerly and parallel with the Northerly line of University Avenue (formerly Eight Street), 56 feet;

Thence at a right angle Northerly and parallel with the Westerly line of Lemon Street, 80 feet;

Thence at a right angle Easterly and parallel with the Northerly line of University Avenue (formerly Eight Street), 165 feet to the Westerly line of Lemon Street;

Thence Southerly along the Westerly line of Lemon Street, 130 feet to the point of beginning.

EXHIBIT "A"

EXHIBIT "B"

This is an All Inclusive Deed of Trust securing a Note for \$110,000.00 and is subject and subordinate to:

A First Deed of Trust now of record securing a Note in favor of Harold M. Fagin and Estilda Anne Fagin, husband and wife as joint tenants, with an unpaid principal balance of approximately \$58,000.00.

Should the within Beneficiary default in payment of any obligation or breach any covenant of any prior encumbrances to which this Deed of Trust is subject and subordinate, the Trustor herein may make said payments, including late charges, penalties and/or advances direct to the Beneficiary thereof. In the event the Beneficiary hereunder, his heirs, or assigns, have filed bankruptcy, Trustor may make all payments due hereunder direct to the holder(s) of prior encumbrance(s) and any and all payments so made shall be credited against the installments due on the note(s) secured hereby.

Beneficiary agrees that in the event of foreclosure of this All Inclusive Deed of Trust, he shall at the Trustee's sale bid an amount representing the amount then due upon the obligation or obligations, including late charges, penalties and/or advances, secured hereby, less the then actual total balance due upon any obligation(s), including late charges, penalties and/or advances, secured by any and all Deeds of Trust having priority over this All Inclusive Deed of Trust and covering the within described real property or any portion thereof, plus any advances or other disbursement(s) which Beneficiary, his successors or assigns, may by law be permitted to include in this bid. After issuance of a Trustee's Deed, by reason of a foreclosure action instituted on this Deed of Trust, all covenants and agreements contained in this All Inclusive language shall cease as between the parties hereto.

END RECORDED DOCUMENT

EXHIBIT A

Pent Corvdon
2147 Prenda
Riverside, Ca. 92504

RECEIVED FOR RECORD
53 Nov 17 1982

Book 1842, Page 11

NOV 23 1982

Willie B. Boney
Notary Public
Riverside, California

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

DOCUMENTARY TRANSFER TAX \$137.50

— computed on full value of property conveyed, or
X computed on full value less liens and
accumulations remaining at time of sale

Signature of Grantor and Agent (if necessary) Date

FOR VALUABLE CONSIDERATION, receipt of which is acknowledged I (We), Church of Scientology,

Mission of Riverside

grant Pent Corvdon, a married man as his separate property

a tract real property situated in the City of Riverside

in an unincorporated area of Riverside

County, California.

Described as follows (insert legal description)

That portion of Block 7, Range 4 of the Town of Riverside, as shown by Map on file in Book 7, page 17 of Maps, San Bernardino County Records, described as follows:
Beginning at the Southwesterly corner of said Block; thence Easterly on the Northerly line of Eight Street, 185 feet; thence Northerly, parallel with the Easterly line of Lemon Street, 125 feet to the Southerly line of an alley; thence Westerly on the Southerly line of said alley, 185 feet to the Easterly line of Lemon Street; thence Southerly on the Easterly line of Lemon Street, 125 feet to the point of beginning.

Witness my hand and seal this

23rd day of Nov 1982 at Riverside Calif.

Pent Corvdon
Grantor

NOTARY PUBLIC

11

Riverside
California 92504
Willie B. Boney
Notary Public

Virginia M. Bohlsen
Witness

NOTARY PUBLIC

This document was duly recorded and indexed in the San Bernardino County Records, Book 1842, Page 11, on November 23, 1982.

NOTARY PUBLIC

END RECORDED DOCUMENT

EXHIBIT A

EXHIBIT D

AND WHEN RECORDED MAIL THIS DEEP AND UNLESS OTHER
WIDE SHOWN BELOW MAIL THE STATEMENTS IS

3ent Corydon
239C Pranda
Riverside, Ca. 92504

Tucker (Brother) Va.

From the

RECEIVED FOR RECORD
JUN 11 1964

Book 1907, Page 11

NOV 23 1982
207781

Wm. & S. Gentry

SPACE ABOVE THIS LINE FOR RECORDERY USE

The undersigned declare that the above-mentioned transfer tax is \$ 154.00 = _____ and is computed on the full value of the interest or property conveyed, or is computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale. The land, improvements or realty is located on _____ and is more or less bounded by _____ and _____ of Riverside Co. _____

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged

Church of Scientology, Mission of Riverside

Letter GRANT. S. 10

Bent Corydon, a married man as his separate property

the following described real property in the City of Riverside
County of Riverside State of California:

A portion of Block 7, Range 5, as shown by map of the TOLN OF RIVERSIDE (MORE FULLY DESCRIBED ON EXHIBIT "A", ATTACHED HERETO AND MADE A PART HEREOF).

Date: 73rd Nov. 1959

Tversuch.
 November 23, 1952

West Canyon

Frank Huibers

Virginia M. Johnson

CM-1 (Rev. 2-78)

EXHIBIT A

20794

EXHIBIT "A"

In the City of Riverside, County of Riverside, State of California, and described as follows:

Commencing at the Southeast corner of Block 7, Range 5, as shown by Map of the TOWN OF RIVERSIDE, recorded in Book 7, page 17 of Maps, records of San Bernardino County, California;

Thence Westerly along the Northerly line of University Avenue (formerly Eight Street), 109 feet;

Thence at a right angle Northerly and parallel with the Westerly line of Lemon Street, 50 feet;

Thence at a right angle Westerly and parallel with the Northerly line of University Avenue (formerly Eight Street), 56 feet;

Thence at a right angle Northerly and parallel with the Westerly line of Lemon Street, 50 feet;

Thence at a right angle Easterly and parallel with the Northerly line of University Avenue (formerly Eight Street), 165 feet, to the Westerly line of Lemon Street;

Thence Southerly along the Westerly line of Lemon Street, 130 feet to the point of beginning.

EXHIBIT A

END RECORDED DOCUMENT

208187

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO:

Bent Corydon
2390 Pranda Ave
Riverside California. 92504

Title Order No. _____ Escrow No. _____

RECEIVED FOR RECORD
208187
DEC 1 1982
Book 1982, Page 208187
Bent Corydon
2390 Pranda Ave
Riverside California. 92504

DEC 1 1982

Recorded by Official Records
of San Bernardino County, CaliforniaWilliam B. Bandy
Notary Public

SPACE ABOVE THIS LINE FOR RECORDER'S USE

QUITCLAIM DEED

DOCUMENTARY TRANSFER TAX

- ☐ computed on full value of property conveyed, or
☐ computed on full value less value of liens and encumbrances remaining at the time of sale.

Signature of Grantor or Agent, Commencing Tax

Form Name

THE UNDERSIGNED GRANTOR(S) DECLARE(S) FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged.

hereby remise, release and forever quitclaim to

Bent Corydon.

the following described real property in the
County of Riverside

State of California:

That portion of Block 7, Range 4 of the Town of Riverside, as shown by Map on file in Book 7, page 17 of Maps, San Bernardino County Records, described as follows:

Beginning at the Southwesterly corner of said Block; thence Easterly on the Northerly line of Eight Street, 185 feet; thence Northerly, parallel with the Easterly line of Lemon Street, 185 feet to the Southerly line of an alley; thence Easterly on the Southerly line of said alley, 185 feet to the Easterly line of Lemon Street; thence Southerly on the Easterly line of Lemon Street, 185 feet to the point of beginning.

Executed on 24 April 1982 at _____*William B. Bandy*

STATE OF CALIFORNIA

COUNTY OF RiversideOn this 24 day of April in the year 1982, before me, the undersigned, a Notary Public in and for said State, personally appearedMary Corydon

known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that

he executed the within instrument, and acknowledged to me that

he executed the within instrument, and acknowledged to me that

he executed the within instrument, and acknowledged to me that

WITNESS my hand and official seal.

Elaine Thorpe

Notary Public in and for said State



(This area for official notarial stamp)

MAIL TAX
STATEMENTS TOBent Corydon, 2390 Pranda Ave, Riverside, California 92504SEE LETTER FORM FOR REG. 640
BUTLER'S 640

This recording form is subject to the terms and conditions of the recording agreement. The recording fee is \$1.00 per page. The recording fee is \$1.00 per page. The recording fee is \$1.00 per page.

© 1982 BUTLER'S, INC.

EXHIBIT A

EXHIBIT "B"

200163

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO:

Bent Corydon
2390 Friends Ave.
Riverside Calif. 92504.

Title Order No.

Escrow No.

SPACE ABOVE THIS LINE FOR RECORDER'S USE

RECEIVED FOR RECORD
10 AM, PAID 10 A.M.
Bent Corydon
March 1962, Page 208186

DEC 1 1962

Recorded to Official Public in
of Riverside County, California
William E. Emery
Recorder
Page 8

QUITCLAIM DEED

DOCUMENTARY TRANSFER TAX 2

- ☐ computed on full value of property conveyed, or
- ☐ computed on full value less value of liens and encumbrances remaining at the time of sale.

Signature of Deed Grantor or Agent Delivering Tax.

Fee Stamp

THE UNDERSIGNED GRANTOR(S) DECLARE(S) FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged.

hereby remise, release and forever quitclaim to

Bent Corydon.

the following described real property in the

County of Riverside

State of California:

A portion of Block 7, Range 4, as shown by map of the TOWN OF RIVERSIDE (MORE FULLY DESCRIBED ON EXHIBIT "A", ATTACHED HERETO AND MADE A PART HEREOF).

Assessor's parcel No. _____

Executed on 26th Nov 1962 at Riverside California

Wm. E. Emery

STATE OF CALIFORNIA

COUNTY OF Riverside

On this 26th day of Nov in the year 1962, before me, the undersigned, a Notary Public in and for said State, personally appeared

Bent Corydon

personally appearing and known to me

as the owner of the above described property, to wit: the above described

land, and acknowledged to me that he executed the foregoing deed for the purposes and consideration therein stated.

WITNESS my hand and official seal.

Elaine Thorpe

Notary Public in and for said State.



(This area for official notated seal)

MAIL TAX STATEMENTS TO

Bent Corydon, 2390 Friends Ave., Riverside, California 92504.

NAME

ADDRESS

MAIL OFFICE FORM 750 (Rev. 5-62)
QUITCLAIM DEED

This document form is subject to the federal regulations governing the use of postpaid revenue stamps and may be used in the future for other purposes. It is not to be used for any other purpose than that for which it was designed and may be subject to cancellation if it is used for any other purpose.

© 1962 UNITED STATES, INC.

EXHIBIT A

EXHIBIT "A"

In the City of Riverside, County of Riverside, State of California, and described as follows:

Commencing at the Southeast corner of Block 7, Range 5, as shown by Map of the TOWN OF RIVERSIDE, recorded in Book 7, page 17 of Maps, records of San Bernardino County, California;

Thence Westerly along the Northerly line of University Avenue (formerly Eighth Street), 139 feet;

Thence at a right angle Northerly and parallel with the Westerly line of Lenon Street, 50 feet;

Thence at a right angle Westerly and parallel with the Northerly line of University Avenue (formerly Eighth Street), 56 feet;

Thence at a right angle Northerly and parallel with the Westerly line of Lenon Street, 50 feet;

Thence at a right angle Easterly and parallel with the Northerly line of University Avenue (formerly Eighth Street), 163 feet to the Westerly line of Lenon Street;

Thence Southerly along the Westerly line of Lenon Street, 130 feet to the point of beginning.

EXHIBIT A

END RECORDED DOCUMENT

EXHIBIT "E-1"

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8. For all CROSS-COMPLAINANTS v. all CROSS-DEFENDANTS;
- a. For costs of suit,
 - b. Attorneys fees,
 - c. For such relief as the court deems just.

DATE: September 15, 1983

Paul Morantz
PAUL MORANTZ
Daniel E. Olson
DANIEL E. OLSON
For Cross-Complainants

EXHIBIT A

1 SAYRE, MORENO, PURCELL & BOUCHER
2 10866 Wilshire Boulevard
3 Fourth Floor
4 Los Angeles, California 90024
5 (213) 475-0505

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8 Attorneys for Plaintiff

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

11 BENT CORYDON,)	CASE NO. C 694401
12)	
13 Plaintiff,)	THIRD AMENDED COMPLAINT FOR
14)	LIBEL; SLANDER; LIBEL PER SE;
15 v.)	SLANDER PER SE; INTERFERENCE
16)	WITH ECONOMIC ADVANTAGE;
17 CHURCH OF SCIENTOLOGY)	INTERFERENCE WITH CONTRACTUAL
18 INTERNATIONAL, INC.; AUTHOR)	RELATIONS; INTENTIONAL
19 SERVICES, INC.; AUTHOR FAMILY)	INFLECTION OF EMOTIONAL
20 TRUST; ESTATE OF L. RON)	DISTRESS; NEGLIGENT INFLECTION
21 HUBBARD; HEBER JENTZSCH;)	OF EMOTIONAL DISTRESS
22 SHIRLEY YOUNG; DAVID MISCAVIGE;)	
23 TIMOTHY BOWLES; BRAD)	
24 BALLENTINE; WARREN MCSHANE)	
25 and DOES 1 through 100,)	
26 inclusive,)	
27)	
28 Defendants.)	

Plaintiff BENT CORYDON alleges as follows:

1. Plaintiff BENT CORYDON is an individual domiciled in the State of California, County of Riverside.

2. Plaintiff is informed and believes and thereon alleges that Defendant CHURCH OF SCIENTOLOGY INTERNATIONAL, INC. was at

EXHIBIT B

1 all times herein mentioned, a California corporation duly
2 authorized to do, and doing, business in the State of California,
3 County of Los Angeles.

4
5 3. Plaintiff is informed and believes, and thereon
6 alleges, that Defendants AUTHOR FAMILY TRUST, ESTATE OF L. RON
7 HUBBARD and AUTHOR SERVICES, INC., and each of them, are entities
8 duly formed and operating under the laws of the State of
9 California conducting business and other activities in the County
10 of Los Angeles.

11
12 4. Plaintiff is informed and believes, and thereon
13 alleges, that Defendants DAVID MISCAVIGE, HEBER JENTZSCH, SHIRLEY
14 YOUNG and TIMOTHY BOWLES, and each of them, are individuals
15 operating in the County of Los Angeles as agents, partners,
16 members or employees of Defendant CHURCH OF SCIENTOLOGY
17 INTERNATIONAL, INC. (hereinafter referred to as Defendant
18 "Church").

19
20 5. The Complaint has previously been amended to name Doe
21 Defendants 1 and 2 as NORMAN STARKEY and LYMAN SPURLOCK,
22 respectfully, who shall hereinafter be referred in their real
23 capacities. An amendment naming Doe No. 3 as BRIDGE
24 PUBLICATIONS, INC., has been filed concurrently with this
25 Complaint and BRIDGE PUBLICATIONS shall be named herein in its
26 true capacity and is included as one of the Church Defendants.

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EXHIBIT B

1 6. The true names, identities or capacities, whether
2 individual, associate, corporate or otherwise, of Defendants DOES
3 3 through 100, are unknown to Plaintiff, who therefore sues said
4 Defendants by such fictitious names. When the true names,
5 identities or capacities of such fictitiously designated
6 Defendants are ascertained, Plaintiff will seek leave of Court to
7 amend this Complaint to insert the true names, identities and
8 capacities, together with the proper supporting charging
9 allegations.

10
11 7. Plaintiff is informed and believes and thereon alleges
12 that each of the individual Defendants designated as a DOE is a
13 participant in a conspiracy presently directed by the Managing
14 Agents of Scientology (as hereinafter defined). The acts of said
15 conspiracy continue to the present day. The conspirators include
16 the Managing Agents, the several Scientology corporations acting
17 as a single entity, and various individuals, including, the
18 individual Defendants.

19
20 8. Alternatively, at all times herein mentioned each of
21 the Defendants, including the DOES, was the agent, servant,
22 employee, fellow member, associate and/or joint venturer or
23 conspirator of each of the other remaining Defendants and was at
24 all times acting within the purpose and scope of said agency,
25 employment or joint venture and acting with the express and/or
26 implied knowledge or consent of the remaining Defendants, and
27 each of them. The acts of each Defendant were approved and/or
28 / / /

EXHIBIT B

1 ratified by each other Defendant and, together, constitute a
2 single course of conduct.

3
4 9. The business of the CHURCH OF SCIENTOLOGY
5 INTERNATIONAL, INC. (hereinafter "the Church") and its affiliated
6 entities as more fully described hereinafter, is the marketing
7 and selling Dianetics and other the books of L. Ron Hubbard;
8 profiting from such sales; marketing an extraordinarily expensive
9 series of courses and counseling sessions by using fraudulent
10 guarantees of improved intelligence, health and well-being.
11 Through these counseling sessions, personal secrets are divulged
12 in a confessional fashion and mind control techniques are
13 utilized which entrap people into spending even more money on
14 more courses and auditing, and in many instances, to persuade
15 them into deserting their families and turn them into drones for
16 Scientology. Persons who become such drones by joining the staff
17 of one of the many subordinate organizations of Scientology are
18 subject to further degradation for failure to meet goals set for
19 sales of courses, clerical jobs, menial tasks - none of which are
20 doctrinal in nature. Such degradation includes imprisonment at
21 secret Scientology facilities, sleep deprivation, food
22 deprivation and physical punishment, i.e., running around a flag
23 pole for 10 hours a day.

24
25 10. Once a person who has fallen under this scheme seeks to
26 disassociate from it or rebels, the Church uses various
27 techniques including, but not limited to, threat of disclosure of
28

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EXHIBIT B

1 the privileged information in confessional files to blackmail and
2 control such traitors pursuant to the Church's fair game policy.

3
4 11. Plaintiff further alleges that the designation of any
5 Scientology entity as a church and/or non-profit entity is a sham
6 and is designed solely to exploit the protections of the First
7 Amendment, to obtain tax exemptions, to prevent the regulation
8 of SCIENTOLOGY "counselors" or "counseling techniques" by state
9 regulatory agencies.

10
11 12. Prior to his death in 1986, L. Ron Hubbard personally
12 managed, directly or through subordinates, the entire SCIENTOLOGY
13 enterprise including Defendants CHURCH, ASI, AUTHOR FAMILY TRUST
14 and other entities including Religious Technology Centers (RTC),
15 Scientology Missions International (SMI), etc. His management
16 design was to ignore the formal structure of the several entities
17 and to operate them as his personal domain and he did so. The
18 goal of this management technique was, first and foremost, to
19 optimize Hubbard's personal income in violation of the
20 prohibition against personal inurement imposed on institutions
21 seeking charitable, religious, tax exempt status under
22 I.R.C. § 501(c).

23
24 13. This style of management also permits money to be
25 shifted among entities to hide their profit making reality.
26 Furthermore, insofar as actual control of the entities were/are
27 in the hands of an individual who was not within the formal

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EXHIBIT B

1 corporate structure, the conduct of affairs of each of the
2 several entities could be kept secretive.
3

4 14. Subsequent to HUBBARD's death, the control of
5 Scientology passed from Hubbard to DAVID MISCAVIGE, NORMAN
6 STARKEY, and LYMAN SPURLOCK (hereinafter sometimes referred to as
7 "Scientology Managing Agents").
8

9 15. The corporate defendants, including ASI, shall
10 hereinafter be referred to jointly as the Church Defendants.
11

12 16. From the period in or about 1962 until 1986 Plaintiff
13 was a member of Defendant CHURCH. Plaintiff was duly
14 indoctrinated into the Defendant CHURCH by regular and active
15 recruitment techniques which involved claims that the programs
16 and doctrines offered by Defendant CHURCH would raise his
17 intelligence quotient to that of genius, prevent illnesses in
18 participants and other attractive occurrences. Plaintiff paid
19 substantial consideration to Defendant CHURCH for these programs.
20

21 17. In or about 1970, Plaintiff, having qualified for and
22 achieved the highest status of counselor and minister within
23 Defendant CHURCH, started his own franchise "mission" in
24 Riverside, California. Said mission was purchased and subsidized
25 wholly and exclusively with Plaintiff's monies and assets, and
26 operated as an autonomous entity entirely independent of
27 Defendant CHURCH under the general doctrine of Scientology.
28

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EXHIBIT B

1 18. In or about 1973, said franchise experienced rapid
2 growth and widespread success. By 1977 said franchise had 180
3 full-time staff members. At all times, Plaintiff's personal
4 assets, money and investments were used to support said franchise
5 enabling it to prosper and grow.

6
7 19. "Fair Game" is a Defendant CHURCH doctrine and policy
8 directing that any individual or employee who expresses a lack of
9 loyalty or a refusal to comply with CHURCH policy or the orders
10 of any of the Managing Agents or their subordinates is open to
11 any form of harassment, economic ruin or subject to any covert or
12 notorious plan purposely designed to cause emotional and physical
13 harm and/or financial ruin no matter how invasive or despicable
14 the method employed. This CHURCH doctrine champions the
15 destruction of an individual's business or reputation, by a
16 variety of tactics including framing false charges of criminal
17 acts, intentional interference with business contracts, and with
18 personal relationships, and other intentional acts.

19
20 20. In 1981, because of alleged infractions of CHURCH
21 rules, Plaintiff was coerced by the CHURCH Defendants, acting by
22 and through certain individual Scientologists, to sign over and
23 transfer his Riverside franchise to Defendants so as to avoid the
24 plight of "Fair Game." Plaintiff was not permitted to return to
25 control in Riverside until November 1981.

26
27 21. In 1980, while Plaintiff was attempting to prove he was
28 a worthy Scientologist so he could recover his right to the

EXHIBIT. B

1 Riverside mission, Plaintiff was arrested and pleaded guilty to
2 assault charges. Those charges arose when Plaintiff was
3 investigated in connection with widespread loan fraud by CHURCH
4 entities.

5
6 22. In order to obtain or maintain a franchise within
7 Defendant CHURCH, it is required that the franchisee be free of
8 any criminal record. Defendant, HEBER JENTZSCH, President of The
9 Church of Scientology International was present when Plaintiff
10 personally handed over documents and communicated to
11 representatives of the Church Defendants that his record had been
12 wholly expunged for the 1980 charges of assault and his name
13 wholly cleared. Thereafter, Plaintiff was restored to his
14 position in the Riverside Mission.

15
16 23. In 1982, as a result of his growing awareness that
17 Scientology, the Defendant CHURCH and the Managing Agents were a
18 fraudulent and violent group, Plaintiff broke away from the
19 Church of Scientology and led the Riverside Mission to do the
20 same.

21
22 24. Subsequent to this breaking away, Hubbard and his
23 successors, MISCAVIGE, STARKEY and SPURLOCK conspired to
24 undertake a campaign to harass and defame Plaintiff and to
25 destroy the new church he had established, the Church of
26 Sciologos. This conspiracy was commenced when in December 1982,
27 the CHURCH Defendants ordered certain individuals to sue
28

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EXHIBIT B

1 Plaintiff and others and to claim ownership of the building
2 belonging to the Church of Sciologos.
3

4 25. The conspiracy was furthered in late 1985 when, at a
5 meeting attended by MISCAVIGE, STARKEY and SPURLOCK and other,
6 DAVID MISCAVIGE ordered that Plaintiff be physically attacked and
7 his group disrupted.
8

9 26. This plan was carried out on numerous occasions in 1985
10 and 1986 when Plaintiff was physically attacked. In February
11 1986, a high ranking Scientologist named DENNIS CLARK entered the
12 Church of Sciologos looking for Plaintiff and, when he couldn't
13 find him, physically attacked another person, Marc Chacon.
14

15 27. This plan was carried out by repeated invasions into
16 the Church of Sciologos by Scientologists posing threats to
17 persons legitimately therein, taking photographs of individuals
18 whose privacy was intruded on, climbing onto the roof, and by
19 provoking fights. The most recent of these events occurred in
20 April 1988.
21

22 28. In 1985 Plaintiff began writing a book about
23 Scientology and its founder, L. Ron Hubbard, which was published
24 in August, 1987 under the title L. Ron Hubbard: Messiah or
25 Madman?. Hubbard and the Managing Agents (MISCAVIGE, STARKEY and
26 SPURLOCK) received information about this from spies planted with
27 Sciologos, Plaintiff's new church, and from Plaintiff's co-
28 author, Hubbard's estranged son, Ron DeWolf.

EXHIBIT B

1 FIRST CAUSE OF ACTION

2 (Against All Defendants For Intentional
3 Interference With Prospective Economic
4 Advantage.)
5

6 29. Plaintiff realleges paragraphs 1 through 28, as though
7 fully restated.
8

9 30. As Plaintiff's book neared completion, the Defendants'
10 fair game conspiracy plan, as directed by the Managing Agents,
11 was expanded to include the goal of impeding the conclusion of
12 the book, interfering with the publicity surrounding the release
13 of the book, interfering with the dissemination and inducing
14 DeWolf to breach his contract to participate in writing the book.
15 This plan constituted an intentional interference with
16 Plaintiff's prospective economic advantage from his book.
17

18 31. In furtherance of this plan, on information and belief,
19 all Defendants, but particularly BRIDGE PUBLICATIONS coerced
20 various bookstore chains, e.g., Waldenbooks into not carrying
21 Plaintiff's book.
22

23 32. Pursuant to the conspiracy, on or about August 6, 1988,
24 TIMOTHY BOWLES delivered a letter to the St. Petersburg Times
25 containing threatening language intending to dissuade that
26 newspaper from publishing a review of BENT CORYDON's book. His
27 letter stated in pertinent part:
28

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EXHIBIT B

1 "We have evidence that your paper has a deep-
2 seated bias against the Church and intend to
3 hit the Church hard with this review. You are
4 the only even semi-major paper that is
5 bothering to consider a review of this book.
6 In light of this it is quite apparent and can
7 be proved that your motives in reviewing this
8 book are not literary or for putting forth
9 "news," but are to attack and denigrate the
10 Church through any vehicle you find available.

11
12 Corydon's book is so scandalous, full of
13 lies and unprofessional that no major
14 publication has touched it. If you forward
15 one of his lies you will find yourself in
16 court facing not only libel and slander
17 charges, but also charges for conspiracy to
18 violate civil rights. If you publish anything
19 at all on it, you may still find yourself
20 defending charges in court in light of what we
21 know about your intentions. We know a whole
22 lot more about your institution and motives
23 than you think."

24
25 This incident is known only because the St. Petersburg Times was
26 not cowed by the threat and published this letter alongside its
27 review of L. Ron Hubbard: Messiah or Madman? However, Plaintiff
28 believes and thereon alleges that similar threats were made by

EXHIBIT B

1 BOWLES and other Defendants to other newspapers and broadcast
2 media to suppress publicity and dissemination of the book.
3

4 33. For example, Defendants conspired to prevent Plaintiff
5 from appearing on radio talk shows about his book. Specifically,
6 in order to prevent his appearance on the radio station of
7 Pasadena City College, Shirely Young, president of the church of
8 Scientology-Los Angeles telephoned that radio station and falsely
9 stated that another radio station on which Plaintiff had appeared
10 received a bomb threat because of Plaintiff's appearance. That
11 statement was wholly false.
12

13 34. Because threats or lies similar to those described in
14 paragraphs 22 and 34, a television interview by KATV in Portland,
15 Oregon was cancelled as was an interview with KING in Seattle,
16 Oregon. Also, the Portland Oregonian which had considered doing
17 a story on the cancellations, abruptly changed its mind.
18 Plaintiff believes and thereon alleges that these cancellations
19 were all induced by threats made by all Defendants in furtherance
20 of the conspiracy to interfere with Plaintiff's prospective
21 advantage.
22

23 35. In furtherance of the conspiracy Defendants conspired
24 to defame Plaintiff and discredit his book calling him a criminal
25 and a liar on various talk shows and in print media as
26 hereinafter alleged.
27

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EXHIBIT B

1 36. In furtherance of the conspiracy, Defendants organized
2 Scientologists drones to know in advance the time of radio
3 station interviews so that they could jam the telephone lines and
4 prevent a fair exchange of public reactions to the book.
5

6 37. In furtherance of his conspiracy, Defendants entered
7 into a contract with Hubbard's estranged son, Ron DeWolf, who was
8 collaborating with Plaintiff on the book, to breach his contract
9 with Plaintiff and his publisher and to refuse to continue
10 collaborating on the book and to sue the publisher for including
11 his name as a co-author.
12

13 38. Each of the acts described in paragraphs 31-37
14 demonstrate a knowledge of Plaintiff's prospective economic
15 advantage from the publication and sale of his book, and indicate
16 a series of intentional acts designed to interfere with that
17 prospective economic advantage. These acts did cause such
18 interference and damage and were not within any privilege of fair
19 competition. Furthermore, these acts intended to oppress the
20 exercise of the First Amendment rights, not only of Plaintiff,
21 but of the public insofar as it intentionally interfered with the
22 public's "right to know". As such, the conduct of Defendants
23 herein entitles Plaintiff to both compensatory damages, according
24 to proof, and punitive damages.
25

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EXHIBIT B

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SECOND CAUSE OF ACTION

(Against All Defendants for Libel Per Se)

39. Plaintiff realleges paragraphs 1 through 28, 30 and 35 as if fully restated.

40. Pursuant to the conspiracy to interfere with Plaintiffs economic advantage and to defame him, on or about August 5, 1988, Defendant HEBER JENTZSCH, acting as President of the Church of Scientology International, telexed a statement to the St. Petersburg Times that Plaintiff has a criminal record.

41. That statement is untrue, defamatory on its fact, known to be false when published by JENTZSCH, unprivileged, tending to cause harm to plaintiff both personally and professionally and did cause harm.

42. JENTZSCH's statement was intended to oppress and malign Plaintiff as part of the conspiracy hereinabove described.

43. Wherefore, Plaintiff has been damaged in an amount according to proof and is entitled to punitive damages.

THIRD CAUSE OF ACTION

(Against All Defendants for Slander)

44. Plaintiff realleges herein the allegations of paragraphs 1 through 28, 30 and 35 as though fully restated.

EXHIBIT B

1 45. In August of 1987, HEBER JENTZSCH appeared on a CNN
2 broadcast with BENT CORYDON and stated:

3 "I have here his arrest record for assault
4 with a deadly weapon when he tried to run over
5 a Riverside County Sheriff. Not only that, I
6 mean with this kind of thing going on with
7 freeway attacks right now and people shooting
8 people, this man has a criminal record, I CNN
9 has to put that out there and let people know
10 that he does have a criminal record, I have it
11 right here . . . "

12
13 46. The foregoing statement was false when made, known by
14 JENTSCH to be false, and unprivileged. Further, they falsely
15 charged Plaintiff with having been convicted of a crime and
16 injured him in respect to his profession.

17
18 47. JENTZSCH's statement was intended to slander, to malign
19 and oppress Plaintiff pursuant to the above described conspiracy.

20
21 48. Wherefore Plaintiff has been damaged in an amount
22 according to proof and is entitled to punitive damages.

23
24 FOURTH CAUSE OF ACTION

25 (For Slander Against All Defendants)

26
27 49. Plaintiff realleges paragraphs 1 through 28, 30 and 35
28 as though fully restated herein.

 EXHIBIT B

1 50. On or about August 10, 1987, on a program called
2 Straight Talk on WOR-NY, Mr. JENTZSCH stated:

3 "First of all, here is a police report where
4 you [CORYDON] are charged with assault with a
5 deadly weapon upon a police officer, isn't
6 that true? . . .

7
8 "The police report has to do . . . I want it
9 known the man who is sitting here has a
10 criminal record. He has a criminal record
11 that's a court document report there

12
13 . . . I want it understood that WOR-TV should
14 have the responsibility of saying that the
15 person who makes the accusations does have a
16 criminal record. And that's not the only
17 thing . . . "

18
19 BENT CORYDON: I do not have a criminal
20 record.

21
22 JENTZSCH: He's lying."

23
24 51. The foregoing statements of HEBER JENTZSCH were false,
25 known by JENTZSCH to be false and unprivileged and further, they
26 falsely charged Plaintiff with having been convicted of a crime
27 and injured him in his profession.

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EXHIBIT B

1 52. Mr. JENTZSCH made those statements with an intent to
2 slander, malign and oppress Plaintiff pursuant to the above-
3 described conspiracy.
4

5 53. Wherefore Plaintiff has been damaged in an amount
6 according to proof and is entitled to punitive damages.
7

8 FIFTH CAUSE OF ACTION

9 (Against All Defendants for Invasion of Privacy)
10

11 54. Plaintiff realleges paragraphs 1 through 28, 30 and 35
12 as though fully restated.
13

14 55. Plaintiff had a statutory right to seek an expungement
15 of his only criminal conviction. He exercised that right and the
16 record of his arrest and conviction were expunged. Each
17 Defendant knew of that expungement.
18

19 56. The history of that arrest and conviction was a matter
20 of extreme personal sensitivity. Such expungements are intended
21 to protect a person from unfair labeling as a criminal by society
22 for a single mistake. The purpose of the expungement therefore
23 is to preserve as undisclosable a matter of great personal
24 importance.
25

26 57. Defendants' knowledge of the expungement was based on
27 the notice of the expungement given to them by Plaintiff which
28 notice was necessary prior to Plaintiff's reinstatement to the

EXHIBIT B

1 Riverside Mission since it is Defendant's policy that a person
2 with a criminal record cannot hold the position of mission
3 holder. As purported Church authorities^s with fiduciary duties to
4 their members, the Church Defendants had a duty not to disclose
5 such information.

6
7 58. In addition to Defendants' conspiracy to defame
8 Plaintiff, Defendants intended to broadcast the very private
9 information about Plaintiff with the intent to offend and harm
10 Plaintiff and cause him to extreme emotional distress.

11
12 59. The public disclosure of these private facts was an
13 intentional abuse of Defendants' knowledge of private
14 information; was not of legitimate public concern; and had no
15 bearing on the credibility of Plaintiff's book, L. Ron Hubbard:
16 Messiah or Madman?

17
18 60. Plaintiff suffered an impairment of his peace of mind,
19 an extreme discomfort more acute than bodily injury and
20 humiliation, all of which were intended by Defendants
21

22
23 61. Therefore, Plaintiff seeks compensatory damages
24 according to proof and punitive damages.

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EXHIBIT B

1 64. Said statements were untrue, known to be untrue,
2 unprivileged, accused Plaintiff of several crimes and was harmful
3 to Plaintiff in his business and reputation and did cause harm.
4

5 65. Said statements were made with the intent to defame,
6 malign and oppress Plaintiff.
7

8 66. Wherefore Plaintiff has been damaged in an amount
9 according to proof and is entitled to punitive damages.
10

11 SEVENTH CAUSE OF ACTION

12 (Against All Defendants for
13 Intentional Interference with Contract)
14

15 67. Plaintiff alleges paragraphs 1 through 28, 30 and 35 as
16 though fully restated herein.
17

18 68. In 1986, Defendants knew that Plaintiff had contracted
19 with Hubbard's estranged son, L. Ron Hubbard, Jr. aka Ron De Wolf
20 for De Wolf's participation in the writing of Plaintiff's book.
21

22 69. Pursuant to the conspiracy hereinabove described,
23 Defendants did induce De Wolf to break that contract and to
24 refuse further participation in the book and to demand that his
25 name be removed from the book.
26

27 70. De Wolf did breach said contract and Plaintiff has been
28 injured thereby.

EXHIBIT B

1 71. Wherefore, Plaintiff seeks compensatory damages in an
2 amount according to proof and punitive damages.

3
4 EIGHTH CAUSE OF ACTION

5 (Interference with Prospective Economic Advantage
6 Against All Defendants Except Timothy Bowles)

7
8 72. Plaintiff realleges by this reference and incorporates
9 herein paragraphs 1 through 28 and 30, inclusive, and by this
10 reference makes them a part hereof.

11
12 73. As the starting point for the conspiracy described in
13 paragraphs 24 through 28, above, Defendants planned to steal from
14 Sciologos those parishioners who indicated their interest in
15 joining in its separation from the CHURCH. The economic
16 viability of Sciologos and Plaintiff depended on the income
17 derived from those parishioners and payments made for services
18 and courses. Each Defendant had knowledge of the names of the
19 parishioners and of their relationship with SCIOLOGOS.

20
21 74. Several meetings were sponsored by Defendants to which
22 Sciologos parishioners were invited and at which Cross-Defendants
23 slandered the leadership of Sciologos. This slander included
24 accusing BENT CORYDON and others of misuing funds belonging to
25 the Riverside Mission. These statements were untrue,
26 unprivileged, known to be untrue, accused Plaintiff of several
27 crimes, was harmful to Bent Corydon in his profession and/or
28 business and did cause harm.

EXHIBIT B

1 75. In addition to slandering the Sciologos' leaders,
2 Defendants threatened parishioners into defecting from Sciologos.
3 One of the threats frequently used was the threat of disclosure
4 of information from the parishioners' confessional files, which
5 information which was obtained under the cloak of the
6 priest/penitent privilege.
7

8 76. Thereafter, the conspiracy included numerous acts over
9 a long period of time, up to the present, designed to demean
10 Sciologos and BENT CORYDON in the community, to impair Sciologos'
11 economic viability, and to render its building a place in which
12 people feared for their safety. Such acts include the following:
13

14 (a) In 1984 Defendants encouraged and required certain
15 ex-parishioners to file unwarranted lawsuits against Sciologos
16 for refunds in an effort to deplete its resources and overwhelm
17 the staff;

18 (b) In 1985 DAVID MISCAVICH put into operation a
19 standing order to Scientologist co-conspirators and DOES 5
20 through 50 to physically attack BENT CORYDON and to disrupt
21 Sciologos' operations;

22 (c) In February 1986, pursuant to the MISCAVICH
23 standing order, a Scientologist named Dennis Clark entered the
24 Sciologos building in Riverside and, after starting a loud
25 argument, attacked one of the staff members of Sciologos. Then,
26 as he was leaving the parking lot, he deliberately drove his car
27 towards another member of the Sciologos staff who was recording
28 the license plate of the car;

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EXHIBIT B

1 (d) On several occasions, persons identified as
2 Scientologists, e.g., Patrick Ward, have entered en masse onto the
3 Sciologos premises for the purpose of harassing people present
4 there for legitimate purposes. This harassment was accomplished
5 by provoking arguments, taking unwanted photographs, opening
6 private doors, and photographing the occupants in the rooms
7 thereby opened, and otherwise threatening the security of the
8 people who utilize the SCIOLOGOS premises. The last of these
9 events occurred in April 1988;

10 (e) In 1985, BENT CORYDON was assaulted by
11 Scientologists while standing in a telephone booth near the
12 Gilman Hot Springs headquarters of Scientology;

13 (f) In 1986, BENT CORYDON was shoved by Scientologists
14 in the federal courthouse in Los Angeles where he was present to
15 observe proceedings in Scientology-related litigation.

16
17 77. As a result of each of the conspiratorial acts
18 described in paragraphs 24 through 28, 30 and 71 through 75(a)-
19 (f), the economic relationship between and among Sciologos and
20 many of its parishioners and its potential parishioners was
21 destroyed. Consequently, BENT CORYDON has suffered a substantial
22 loss of income in an amount to be proved.

23
24 78. Insofar as the acts of the conspiracy were
25 intentionally designed to impair Plaintiff in his profession, his
26 rights of free speech and the exercise of his freedom of
27 religion, Plaintiff also seeks punitive damages.

28 / / /

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1 WHEREFORE, Plaintiff prays for judgment against Defendants,
2 and each of them, as follows:

3 1. General damages in a sum according to proof at time of
4 trial in excess of the minimum jurisdictional amount of this
5 Court;

6 2. All statutory damages in a sum in excess of the minimum
7 jurisdictional amount of this Court;

8 3. All special damages according to proof at time of
9 trial;

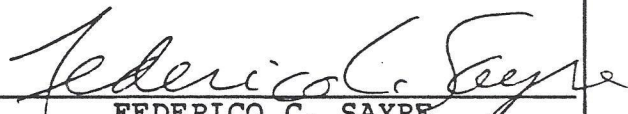
10 4. All exemplary and punitive damages in an amount
11 according to proof at time of trial;

12 5. For costs of suit and attorney's fees incurred herein;

13 6. For such other and further relief as the court may deem
14 just and proper.

15
16 DATED: December 7, 1988.

17 SAYRE, MORENO, PURCELL & BOUCHER

18
19 
20 FEDERICO C. SAYRE
21 Attorneys for Plaintiff
22
23
24
25
26
27
28

PROOF OF SERVICE BY MAIL

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
_____)

I, EVELYN TAYLOR, am a resident of/employed in the aforesaid county, State of California. I am over the age of 18 years and not a party to the within action. My business/residence address is: 10866 Wilshire Blvd., Fourth Floor, Los Angeles, California 90024.

On December 7, 1988, I served the foregoing: THIRD AMENDED COMPLAINT on the interested parties in this action by placing a true copy thereof, enclosed in a sealed envelope, addressed as follows:
SEE ATTACHED SERVICE LIST

By mail I caused such envelope with postage thereon fully paid to be placed in the United States mail at Los Angeles, California.

I certify under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on December 7, 1988



ATTACHED SERVICE LIST

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 56

HON. BRUCE R. GEERNAERT, JUDGE

CHURCH OF SCIENTOLOGY OF CALIFORNIA,

PLAINTIFF,

VS.

GERALD ARMSTRONG,

DEFENDANT.

NO. C 420 153

REPORTER'S TRANSCRIPT OF PROCEEDINGS

WEDNESDAY, NOVEMBER 30, 1988

APPEARANCES:

FOR CHURCH OF SCIENTOLOGY
OF CALIFORNIA:

BOWLES & MOXON
BY: HENDRICK MOXON
6255 SUNSET BOULEVARD,
SUITE 2000
HOLLYWOOD, CALIFORNIA 90028
(213) 661-4030

FOR MARY SUE HUBBARD:

RABINOWITZ, BOUDIN, STANDARD,
KRINSKY & LIEBERMAN
BY: ERIC LIEBERMAN
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(212) 982-9870

FOR MARY AND BENT CORYDON:

TOBY L. PLEVIN
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(213) 475-0505

FOR BENT CORYDON:

PAUL MARANTZ
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ORIGINAL

MICHAEL W. PETTIT, CSR #2053
OFFICIAL REPORTER

EXHIBIT C

1 LOS ANGELES, CALIFORNIA; WEDNESDAY, NOVEMBER 30, 1988 9:37 A.M.
2 DEPARTMENT NO. 56 HON. BRUCE R. GEERNAERT, JUDGE
3 (APPEARANCES AS HERETOFORE NOTED.)
4

5 - - 0 - -
6

7 THE COURT: THE MATTER OF CHURCH OF SCIENTOLOGY
8 VERSUS GERALD ARMSTRONG, CASE NO. C 420 153.

9 MR. LIEBERMAN: ERIC LIEBERMAN FOR THE CHURCH OF
10 SCIENTOLOGY, YOUR HONOR.

11 MR. MOXON: KENDRICK MOXON FOR THE CHURCH OF
12 SCIENTOLOGY.

13 MS. PLEVIN: TOBY PLEVIN FOR MARY AND BENT CORYDON.

14 MR. MORANTZ: PAUL MORANTZ FOR BENT CORYDON.

15 THE COURT: ALL RIGHT. NOW, THIS IS A MOTION FOR
16 RECONSIDERATION OR CLARIFICATION OF THE COURT'S EARLIER
17 ORDER. THE DATE WAS --

18 MS. PLEVIN: NOVEMBER 9TH, I BELIEVE, YOUR HONOR.

19 THE COURT: AND THERE'S OPPOSITION TO THE MOTION, BUT
20 IT'S ON THE HEADING OF A DIFFERENT CASE.

21 MR. MORANTZ: I FILED A SUBSTITUTE PAGE. I BROUGHT A
22 SUBSTITUTE PAGE TO THE COURT'S CLERK TO REPLACE THAT BECAUSE
23 MY SECRETARY PUT THE WRONG CAPTION ON THAT.

24 THE COURT: IT IS APPROPRIATE THAT IT HAVE ANOTHER
25 PAGE.

26 NOW, I'VE READ ALL THE PAPERS, AND THERE'S AN
27 ISSUE RAISED HERE THAT WASN'T COVERED IN THE PRIOR ORDER,
28 AND THAT IS THE ATTORNEY-CLIENT PRIVILEGE WHICH HAS BEEN

EXHIBIT. C

1 LITIGATED WITH REGARD TO EXHIBIT 500-5 C'S, WHICH IS TWO
2 AUDIO TAPES. I GUESS THEY ARE AUDIO.

3 MR. LIEBERMAN: YES, YOUR HONOR, AUDIO TAPES.

4 THE COURT: AND I DIDN'T INTEND TO INFRINGE UPON
5 THAT, OBVIOUSLY. MAYBE IT'S NOT SO OBVIOUS, BUT THAT'S BEEN
6 THE SUBJECT OF A LOT OF LITIGATION, A LOT OF JUDICIAL
7 ATTENTION NOW PENDING BEFORE THE UNITED STATES SUPREME
8 COURT, SO I WANT TO MAKE IT CLEAR THAT MY ORDER IS NOT
9 INTENDED TO, AND I WILL CLARIFY IT, THAT IT DOES NOT INVOLVE
10 EXHIBIT 500-5 C'S. THE PRESENT ORDER RELATES TO DOCUMENTS
11 SEALED BY THE GENERAL ORDER AT THE TIME OF THE SETTLEMENT.

12 NOW, NO OTHER ORDER HAS BEEN IDENTIFIED. IN
13 THE MOVING PAPERS YOU TALK PRIMARILY ABOUT 5 C'S, AND THEN
14 ON PAGE 3, PARAGRAPH 4 YOU SAY, "THERE ARE FIVE OTHER
15 DOCUMENTS PRESENTLY RESTING IN THE COURT'S FILES WHICH ALSO
16 WERE NEVER ENTERED INTO EVIDENCE OR THE PUBLIC FILE IN THIS
17 CASE AND WHICH HAVE REMAINED SEALED THROUGHOUT THE HISTORY
18 OF THIS CASE. THESE DOCUMENTS ARE EXHIBITS 500" -- THERE'S
19 NO ARGUMENT ABOUT THOSE, NO EVIDENCE PRESENTED ABOUT THOSE,
20 AND THERE'S EVIDENTLY NEVER BEEN A SPECIFIC ORDER WITH
21 REGARD TO THEM.

22 MR. LIEBERMAN: LET ME TRY AND CLARIFY THAT, YOUR
23 HONOR. THOSE FIVE DOCUMENTS ALSO WERE THE SUBJECT OF THE
24 ORIGINAL SEALING ORDER IN THIS CASE WHEN THE DOCUMENTS WERE
25 DEPOSITED FOR SAFEKEEPING WITH THE CLERK OF THE COURT.
26 THEY, TOO, WERE NEVER ENTERED INTO EVIDENCE.

27 THE COURT: LET ME INTERRUPT YOU, BECAUSE WHETHER
28 SOMETHING'S ENTERED IN EVIDENCE OR NOT HAS NOTHING TO DO

EXHIBIT C

1 WITH ANYTHING RELATING TO THIS MOTION. YOUR ARGUMENT ON
2 THAT IS JUST OFF ABOUT FIVE DEGREES. YOU CAN HAVE SOMETHING
3 IN EVIDENCE OR YOU CAN HAVE SOMETHING NOT IN EVIDENCE AND IT
4 DOES OR DOES NOT FALL WITHIN THE ATTORNEY-CLIENT PRIVILEGE.
5 SOME PRIVILEGE AGAINST DISCLOSURE IS WHAT YOU NEED, NOT
6 WHETHER IT WAS EVER PUT IN EVIDENCE OR RECEIVED IN EVIDENCE.

7 MR. LIEBERMAN: I UNDERSTAND, YOUR HONOR. JUDGE
8 COLE, WHEN HE ORIGINALLY ISSUED THE TEMPORARY RESTRAINING
9 ORDER, PROTECTED THESE DOCUMENTS ON THE BASIS OF A
10 GENERALIZED PRIVACY CLAIM WHICH WAS THE BASIS FOR THE
11 UNDERLYING LAWSUIT. AT THE CONCLUSION OF THE TRIAL HERE
12 JUDGE BRECKENRIDGE NOT ONLY EXCLUDED THESE FIVE DOCUMENTS
13 FROM EVIDENCE BUT HE ALSO EXPLICITLY MAINTAINED THAT SEAL ON
14 THOSE FIVE DOCUMENTS.

15 THE COURT: WHERE?

16 MR. MOXON: PAGE 2.

17 MR. LIEBERMAN: PAGE 2, FOOTNOTE 1 OF THE MEMORANDUM
18 OF INTENDED DECISION, YOUR HONOR.

19 THE COURT: THIS COPY IS A LITTLE HARD TO READ. I
20 GUESS I CAN READ IT. WHAT IS IT, FOOTNOTE 1?

21 MR. LIEBERMAN: I BELIEVE THAT'S CORRECT, YOUR HONOR.

22 THE COURT: IT RELATES TO THE SECOND PARAGRAPH?

23 MR. LIEBERMAN: AT THE BOTTOM OF THE PAGE. IT'S
24 EXHIBIT A, I BELIEVE. YES, EXHIBIT A OF THE ORIGINAL MOVING
25 PAPERS BY MR. CORYDON.

26 THE COURT: WELL, I HAVE IT. IT'S IN THE FILE, AND
27 I'M LOOKING AT THE ONE IN THE FILE.

28 MR. LIEBERMAN: IT'S ACTUALLY IN THE BODY PLUS IN THE

1 FOOTNOTE, YOUR HONOR. THE FIRST FULL PARAGRAPH ON PAGE 2.

2 THE COURT: JUST ONE MOMENT, PLEASE.

3 MR. LIEBERMAN: I'M SORRY.

4 (PAUSE.)

5 THE COURT: BUT WHAT I INTENDED BY MY OTHER ORDER WAS
6 NOT TO AFFECT ANYTHING THAT WASN'T BROUGHT INTO BEING AT THE
7 TIME OF THIS MEMORANDUM OF INTENDED DECISION, AND OBVIOUSLY
8 JUDGE BRECKENRIDGE INTENDED THAT HIS ORDER SEALING
9 EVERYTHING ELSE WAS OVER AND ABOVE AND IN ADDITION TO THE
10 MATTERS ALREADY SEALED. SO I GUESS I'M GOING TO NOW CLARIFY
11 AND REMOVE THESE, BUT IT'S WITHOUT PREJUDICE TO A SPECIFIC
12 MOTION WITH REGARD TO THESE.

13 MR. MORANTZ: YOUR HONOR, MAY I ADDRESS THE COURT?

14 THE COURT: YES.

15 MR. MORANTZ: BEFORE THE COURT MAKES THAT DECISION, I
16 REALIZE THAT WE HAVE NOT HAD THE BENEFIT OF REVIEWING THE
17 FILE, AS COUNSEL HAS POSSESSION OF THE FILE, SO ALL THAT I
18 HAVE IS WHAT COUNSEL HAVE GIVEN US, THE MOVING PAPERS, AND
19 IN THE MOVING PAPERS BY THE MOVING PARTY -- I'M REFERRING TO
20 THE MOTION FOR RECONSIDERATION BEFORE THE COURT TODAY. AND
21 IT ATTACHES A MINUTE ORDER OF 2-11-85 OF JUDGE BRECKENRIDGE,
22 AND THE UNITED STATES GOVERNMENT MADE THE SAME REQUEST THAT
23 WE'RE MAKING AS TO THE VERY SAME DOCUMENTS THAT COUNSEL
24 SEEKS TO HAVE REMAIN UNDER SEAL. AND UNDER THE -- I THINK
25 IT'S THE THIRD PARAGRAPH THEREOF, IT SAYS SPECIFICALLY THAT
26 THE MOTION IS GRANTED IN FAVOR OF THE UNITED STATES
27 GOVERNMENT TO GET THOSE DOCUMENTS, AS TO THESE VERY
28 EXHIBITS, AND THE COURT WAS MAKING SPECIFIC FINDINGS OF A

EXHIBIT C

1 WAIVER OF A PRIVILEGE, AND IN SOME CASES THAT THE PRIVILEGE
2 DID NOT EVEN APPLY. SO THESE DOCUMENTS HAVE NOW BEEN
3 RELEASED TO THE UNITED STATES GOVERNMENT, AND AS SUCH THEY
4 ARE OUT THERE IN THE PUBLIC DOMAIN, NOT SUBJECT ANYMORE TO
5 ANY --

6 THE COURT: WE CAN ADDRESS THIS RIGHT NOW. I WAS
7 GOING TO PUT IT OVER, BUT I GUESS THE MOTION THAT I RULED ON
8 ON NOVEMBER 9TH WAS BROAD ENOUGH TO COVER THESE FIVE
9 DOCUMENTS ALSO. SO LET'S JUST GO TO THE MERITS OF IT. WHY
10 SHOULDN'T THESE BE UNSEALED?

11 MR. LIEBERMAN: LET ME ADDRESS THAT, YOUR HONOR.
12 CONTRARY TO MR. MORANTZ' REPRESENTATION OF WHAT HAPPENED
13 THERE, YOU'LL NOTE THAT THE MINUTE ORDER SAYS, "SUBJECT TO
14 PROTECTIVE ORDER." NOW, WHAT HAPPENED IN THAT CASE --

15 THE COURT: SEE, EVERYBODY CHARACTERIZES DOCUMENTS,
16 AND THEY DON'T REFER TO THEM, AND I WOULD LIKE TO READ THE
17 ORDER THAT IS BEING REFERRED TO. IS THAT IN THE FILE HERE?

18 MR. LIEBERMAN: THE MINUTE ORDER IS ATTACHED TO --

19 THE COURT: NO. BUT WASN'T THERE A REGULAR ORDER?

20 MR. LIEBERMAN: YES, THERE IS A REGULAR ORDER WHICH I
21 HAVE RIGHT HERE.

22 THE COURT: SHOW IT TO MR. MORANTZ AND THEN HAND IT
23 TO THE CLERK.

24 MR. LIEBERMAN: ALL RIGHT (HANDING). AND I CAN HAND
25 ONE UP TO THE COURT.

26 THE COURT: OKAY. THANK YOU.

27 MR. MORANTZ: YOUR HONOR, WHAT THIS SAYS IS THAT THE
28 UNITED STATES WAS AWARDED THE DOCUMENTS, BUT THEY WERE ONLY

1 ABLE TO USE THEM IN LITIGATION AND NOT TO GIVE THEM TO ANY
2 OTHER THIRD PARTIES WITHOUT COURT APPROVAL. IT'S STILL
3 DISCLOSED.

4 THE COURT: LET ME READ THIS.

5 (PAUSE.)

6 THE COURT: THIS REALLY DOESN'T ASSIST ME IN DECIDING
7 ANY MERIT ON KEEPING THESE SEALED.

8 MR. LIEBERMAN: WELL, YOUR HONOR, LET ME BACK UP A
9 MINUTE. WHAT WE HAVE AS A RESULT OF THIS ORDER IS WE HAVE
10 THE ORIGINAL SEALING ORDER BY JUDGE COLE.

11 THE COURT: LET ME SEE THAT, IF YOU WOULD. I MEAN
12 THE RECORD SHOULD SHOW THAT THIS FILE INVOLVES SOME 28 OR 29
13 VOLUMES, AND SO JUST TO CHARACTERIZE AN ORDER PUTS A
14 TERRIBLE BURDEN ON THE COURT UNLESS YOU GIVE ME A COPY OF
15 IT.

16 MR. LIEBERMAN: I UNDERSTAND THAT, YOUR HONOR.

17 THE COURT: BUT THAT'S WHAT YOU DO IN YOUR PAPERS;
18 YOU JUST SAY WHAT THE ORDERS SAY WITHOUT EVEN GIVING THE
19 DATES OF THEM.

20 MR. MOXON: I'VE GOT IT HERE, YOUR HONOR, IF I MAY
21 BRING THIS UP. I'LL TAKE IT OUT OF THIS BINDER (HANDING).

22 THE COURT: ALL RIGHT. THANK YOU. NOW, THIS ORDER
23 DESCRIBES DOCUMENTS TO BE TURNED OVER TO THE CLERK AND TO
24 REMAIN IN THE POSSESSION OF THE CLERK TO BE VIEWED BY THE
25 ATTORNEYS OF RECORD OF THE PARTIES LIMITED HERETO. AND THE
26 DESCRIPTION OF THE DOCUMENTS -- THEY ARE NOT CONFIDENTIAL
27 DOCUMENTS. I MEAN WHETHER THEY ARE CONFIDENTIAL OR NOT,
28 THEY ARE NOT PRIVILEGED DOCUMENTS. I MEAN THEY ARE

1 LETTERS -- WELL, IT'S DESCRIBED AS, "DOCUMENTS AND MATERIALS
2 PROVIDED TO THEM AT ANY TIME BY DEFENDANT ARMSTRONG
3 PERTAINING TO THE CHURCH OF SCIENTOLOGY AS ABOVE REFERENCED
4 IN THE PRECEDING PARAGRAPH OF THIS ORDER AND SPECIFICALLY
5 INCLUDING," AND THEN IT DESCRIBES LETTERS FROM RON L.
6 HUBBARD AND CORRESPONDENCE BETWEEN HUBBARD AND DON PURCELL
7 AND LETTERS AND OTHER DOCUMENTS CONCERNING THE HUBBARD
8 EXPLORATION COMPANY AND OTHERS, BUT THERE'S NOTHING ABOUT
9 THIS ORDER THAT WOULD ALLOW ME AT LEAST TO CONCLUDE THAT
10 THEY SHOULD REMAIN SEALED AT THIS TIME.

11 MR. LIEBERMAN: WELL, LET ME TRY AND EXPLAIN WHY I
12 THINK YOUR HONOR SHOULD DO THAT. THE BASIS OF THIS LAWSUIT
13 BY BOTH THE CHURCH AND BY MRS. HUBBARD WAS TO PROTECT
14 PRIVATE INTERESTS IN THESE DOCUMENTS. THESE WERE PRIVATE
15 DOCUMENTS THAT INCLUDED LETTERS, DIARIES, ET CETERA.

16 THE COURT: PRIVACY GIVES WAY TO DISCOVERY IN
17 LITIGATION.

18 MR. LIEBERMAN: I AGREE WITH YOU, YOUR HONOR.
19 HOWEVER, THERE WAS ALSO A PRELIMINARY INJUNCTION ISSUED
20 SUBSEQUENT --

21 THE COURT: THAT'S NOT AN ABSOLUTE STATEMENT, BUT IT
22 GIVES WAY EXCEPT IN UNUSUAL CIRCUMSTANCES.

23 MR. LIEBERMAN: WELL, BUT IT GIVES WAY, YOUR HONOR,
24 WHEN IT IS RELEVANT TO OUTSTANDING LITIGATION.

25 THE COURT: NO. IT'S EVEN BROADER THAN "RELEVANT."
26 IT'S "RELEVANT" OR "MIGHT LEAD TO RELEVANCE."

27 MR. LIEBERMAN: THAT'S RIGHT. THAT'S RIGHT. NOW,
28 WHAT JUDGE BRECKENRIDGE DID HERE WAS THAT HE SEALED THESE

1 DOCUMENTS ON THE BASIS OF PRIVACY AND ALLOWED PARTIES TO
2 COME IN AND MAKE A SHOWING THAT THEY ARE RELEVANT TO
3 OUTSTANDING LITIGATION. WHAT THE UNITED STATES DID IN THIS
4 MINUTE ORDER OF FEBRUARY 25TH IS IT CAME IN AND IT ASKED FOR
5 ABOUT 15 DOCUMENTS, AS YOU SEE FROM THE ORDER. HE DENIED
6 MOST OF THEM ON THE BASIS OF EITHER PRIVILEGE OR RELEVANCE
7 AND GRANTED FIVE OF THEM PURSUANT TO A PROTECTIVE ORDER.
8 THE REASON THE PROTECTIVE ORDER WAS GRANTED WAS PRECISELY
9 BECAUSE THESE DOCUMENTS CONSTITUTED THE SUBJECT MATTER OF
10 THE LITIGATION AND HAD BEEN FOUND BY JUDGE BRECKENRIDGE TO
11 BE PRIVATE AND ENTITLED TO PROTECTION EXCEPT WHERE A
12 COMPELLING --

13 THE COURT: I DON'T SEE THAT KIND OF A FINDING BY
14 JUDGE BRECKENRIDGE. I DON'T SEE ANYTHING LIKE THAT. AND I
15 WONDER WHAT THE BASIS WOULD BE FOR IT. BASED ON THE HISTORY
16 OF THIS FILE, I DON'T SEE A BASIS FOR DETERMINING THAT THE
17 DOCUMENTS PRODUCED PURSUANT TO JUDGE COLE'S ORDER ARE ANY
18 DIFFERENT THAN ANY OTHER LITIGANT'S DOCUMENTS THAT THEY HAVE
19 IN THEIR POSSESSION AND THAT WOULD HAVE TO BE PRODUCED IF
20 THEY WERE INVOLVED IN A LAWSUIT IF THEY WERE EITHER RELEVANT
21 OR POSSIBLY RELEVANT TO THE ISSUES IN A CASE.

22 MR. LIEBERMAN: YES. BUT SOMEBODY WOULD HAVE TO MAKE
23 A REQUEST FOR DISCOVERY. WE WOULD HAVE THE RIGHT TO OPPOSE
24 IT ON THE BASIS OF IRRELEVANCE AND PRIVACY. THEY WOULD HAVE
25 TO MAKE A DEMONSTRATION.

26 THE COURT: BUT YOU'RE NOT SAYING THESE ARE
27 IRRELEVANT.

28 MR. LIEBERMAN: THEY HAVE NOT SHOWN ANY RELEVANCE,

EXHIBIT C

1 YOUR HONOR. THEIR MOVING PAPERS -- LET ME MAKE THIS POINT,
2 THEIR MOVING PAPERS SAID THEY WANT THE RECORD OF THE TRIAL
3 IN THIS CASE AND THE EXHIBITS. THESE DOCUMENTS ARE NOT PART
4 OF THE RECORD OF THE TRIAL IN THIS CASE OR THE EXHIBITS.
5 THEY SAID THEY NEED THOSE BECAUSE THEY NEED TO DETERMINE
6 WHAT WAS DECIDED BY JUDGE BRECKENRIDGE.

7 THE COURT: REALISTICALLY, HOW ARE THEY GOING TO
8 DETERMINE WHETHER THEY ARE RELEVANT UNLESS THEY ARE
9 UNSEALED?

10 MR. LIEBERMAN: WELL, YOUR HONOR, PARTIES ARE NOT
11 ALLOWED TO RUMMAGE THROUGH SOMEBODY'S STACK OF DOCUMENTS AND
12 SAY, "WE WANT TO SEE IF THERE'S ANYTHING RELEVANT THERE."

13 THE COURT: YOU'RE RIGHT. SO I THINK THE WAY TO DO
14 THIS IS I'M GOING TO EXCLUDE THESE DOCUMENTS WITHOUT
15 PREJUDICE THAT TO THE EXTENT THAT ANY OF YOUR PROPER
16 DISCOVERY REQUESTS CALL FOR THE PRODUCTION OF THESE
17 DOCUMENTS THAT THE CHURCH WILL BE REQUIRED TO SO INDICATE,
18 IN WHICH CASE YOU CAN MAKE A MOTION TO HAVE IT UNSEALED.
19 BECAUSE THEY WOULD THEN BE SAYING EXCEPT FOR THE SEALING
20 HERE, WE WOULD BE DISCLOSING THESE DOCUMENTS. BECAUSE I
21 THINK COUNSEL'S RIGHT HERE.

22 MR. MORANTZ: MAY I ADDRESS THE COURT ON THAT?

23 THE COURT: ALL RIGHT.

24 MR. MORANTZ: THE PROBLEM WITH THAT IS THAT WE'RE
25 LEFT TO --

26 THE COURT: LET ME POINT OUT I REALIZE THAT IN THIS
27 CASE THEY BETTER BE CAREFUL, BECAUSE ULTIMATELY YOU MAY MAKE
28 A MOTION AND THERE MAY BE A SECOND-GUESSING BY THIS COURT AS

1 TO WHETHER OR NOT THEY HAVE BEEN CANDID WITH YOU IN THEIR
2 RESPONSES TO YOUR DISCOVERY REQUESTS.

3 MR. MORANTZ: YOUR HONOR, I WANT TO HAVE -- IF I MAY
4 APPROACH -- THE OPPORTUNITY TO EXPLAIN TO THE COURT WHY I
5 BELIEVE THE COURT SHOULD NOT MAKE THE ORDER THAT IT IS NOW
6 SUGGESTING, IF I MAY.

7 THE COURT: ALL RIGHT.

8 MR. MORANTZ: TO COMMENCE WITH, WE HAVE ATTACHED THE
9 DECLARATION OF A FORMER TOP SCIENTOLOGY OFFICIAL, VICKI
10 ASNARAN, INDICATING THAT DURING THE ACTUAL TRIAL OF THIS
11 CASE THE DISCOVERY REQUEST OF SCIENTOLOGY WAS DISOBEYED --
12 THAT SCIENTOLOGY WOULD DESTROY DOCUMENTS THAT WERE ORDERED
13 PRODUCED BY JUDGE BRECKENRIDGE RATHER THAN PRODUCING THEM.
14 HER DECLARATION IS PART OF THE ORIGINAL MOVING PAPERS TO BE
15 FILED WITH THIS COURT. SECOND, THE DOCUMENTS THEMSELVES
16 WERE NOT ONLY NOT SUBJECT TO ANY PRIVILEGE BUT WERE GIVEN TO
17 MR. ARMSTRONG FOR PURPOSES OF WRITING A BOOK. THEY WERE
18 GIVEN AWAY. SO IT WASN'T SOMETHING AS COUNSEL HAS --

19 THE COURT: I'M AGREEING WITH YOU. I DO NOT SEE THE
20 BASIS FOR A PRIVILEGE, BUT THE BURDEN IS ON YOU TO SHOW THAT
21 THESE FALL WITHIN SOME LEGITIMATE DISCOVERY REQUEST OF
22 YOURS. AND IF YOU DO THAT, IN OTHER WORDS, IF YOU MAKE A
23 REQUEST TO WHICH THESE DOCUMENTS ARE RESPONSIVE, THEN THEY
24 WILL IDENTIFY THOSE DOCUMENTS. AND ULTIMATELY IF YOU
25 BELIEVE THEY ARE NOT BEING CANDID ABOUT IT, YOU CAN FILE A
26 MOTION AND SAY, "HERE'S OUR REQUEST. THEY SAID NONE OF
27 THESE DOCUMENTS ARE RELEVANT." AND THEN I'LL REVIEW IT AND
28 FIND OUT. BECAUSE THAT'S WHAT WOULD HAPPEN IF THIS HAD

EXHIBIT C

1 NEYER BEEN SEALED. IF THESE DOCUMENTS HAD NEVER BEEN SEALED
2 HERE, THEN YOU WOULD BE SUBJECT TO THE DEFENDANTS'
3 CANDIDNESS IN MAKING RESPONSES.

4 MR. MORANTZ: IT'S NOT QUITE CORRECT, YOUR HONOR.
5 WHAT HAS HAPPENED WAS THAT BUT FOR THE SETTLEMENT THAT WAS
6 PLACED ON THIS CASE, ARMSTRONG WOULD HAVE THE DOCUMENTS
7 INDEPENDENT -- WHAT THEY DID IS IN THE SETTLEMENT -- PART OF
8 THE SETTLEMENT THEY MADE WAS THAT MR. ARMSTRONG HAS
9 CONTRACTED AWAY -- HE WILL NOT TALK TO US. THAT WAS PART OF
10 THE CONTRACT SCIENTOLOGY PLACED ON MR. ARMSTRONG. THAT'S A
11 MATTER THAT WE'LL BE DEALING WITH IN THE OTHER LITIGATION.
12 BUT THE FACT REMAINS THAT WE CAN'T MAKE A REQUEST AND ARGUE
13 WITHOUT SEEING THE DOCUMENTS. WHAT I WOULD SUGGEST AS A
14 BETTER ALTERNATIVE TO THE COURT IS THAT WE BE ABLE TO VIEW
15 THE DOCUMENTS BUT NOT COPY THE SAME, THAT WE WOULD THEN MAKE
16 MOTIONS TO THE COURT IN WHICH THE ACTION IS PENDING FOR THE
17 COURT TO DETERMINE IF THOSE DOCUMENTS ARE RELEVANT, AND THEN
18 IF WE BRING BACK AN ORDER --

19 THE COURT: I'M NOT GOING TO DO IT THAT WAY. HERE'S
20 THE ORDER: THE COURT'S ORDER OF NOVEMBER 9TH, 1988 IS
21 CLARIFIED AS FOLLOWS: IT DOES NOT RELATE TO NOR REQUIRE THE
22 UNSEALING OF EXHIBIT 500-CCCC, OR 500-5 C'S, THE TWO TAPES,
23 AUDIO TAPES, NOR TO EXHIBITS -- THE COPY IS SO BAD HERE I'M
24 LOOKING AT THE -- I GUESS YOU PUT THEM IN YOUR MOVING
25 PAPERS. HERE IT IS. -- NOR TO DOCUMENTS EXHIBITS 500-5K,
26 500-5L, 500-50, 500-5P, AND 500-60. WITH REGARD TO THE LAST
27 FIVE DESIGNATED DOCUMENTS, THIS ORDER IS WITHOUT PREJUDICE
28 TO A FURTHER MOTION SPECIFICALLY DIRECTED TO THESE DOCUMENTS

1 IN CONNECTION WITH DISCOVERY IN THE OTHER CASE.

2 MR. MORANTZ: YOUR HONOR, IF I MAY, THERE'S ANOTHER
3 PROBLEM I WISH TO ADDRESS THE COURT ON, IF I MAY. IF THE
4 COURT MAKES AN ORDER AS SUCH, IT WOULD -- IN MY CASES WITH
5 MR. CORYDON IT WOULD BE A FUTILE EFFORT. I COULD NOT SEND
6 SUCH A DISCOVERY REQUEST. THE PLAINTIFFS ARE
7 SCIENTOLOGISTS, NOT THE CHURCH OF SCIENTOLOGY. SO I COULD
8 NOT ADDRESS -- THEY WOULD BE ABLE TO ANSWER THAT SUCH
9 DOCUMENTS -- THE CHURCH OF SCIENTOLOGY MIGHT SAY --

10 THE COURT: THAT'S NOT CORRECT. YOU CAN DO DISCOVERY
11 FROM A NONPARTY.

12 MR. MORANTZ: YOU MEAN SERVE A SUBPOENA ON THE CHURCH
13 OF SCIENTOLOGY THAT SAID THESE DOCUMENTS IN THIS COURT
14 FILE -- THEY WOULDN'T BE OBLIGATED TO PRODUCE THEM. I
15 COULDN'T SERVE A SET OF INTERROGATORIES ASKING THEM TO
16 IDENTIFY SUCH DOCUMENTS, AND I COULDN'T SERVE ANYTHING ON
17 THEM TO PRODUCE THEM.

18 THE COURT: YOU CAN DO A DEPOSITION, WRITTEN
19 DEPOSITION QUESTIONS TO A NONPARTY.

20 MR. MORANTZ: HOW WOULD I DESIGNATE WHICH PARTY WOULD
21 HAVE KNOWLEDGE OF WHAT THE CONTENTS ARE OF THESE PARTICULAR
22 DOCUMENTS?

23 THE COURT: YOU'RE NOT UNDERSTANDING. I'M NOT
24 SUGGESTING THAT YOU CAN ASK THEM WHAT IS IN THOSE DOCUMENTS.
25 THAT'S NOT NECESSARILY RELEVANT. THAT DOESN'T SHOW
26 RELEVANCE TO YOUR OTHER CASE. YOU CAN GIVE THEM DISCOVERY
27 ON THE SUBJECTS OF YOUR LAWSUIT. AND I'M SAYING RIGHT NOW
28 THAT THEY ARE REQUIRED IN ANSWERING ALL OF YOUR DISCOVERY TO

1 INDICATE WHETHER OR NOT ANY OF THESE FIVE DOCUMENTS ARE
2 RESPONSIVE TO YOUR DISCOVERY REQUEST. AND IF THEY SO
3 INDICATE THAT THESE DOCUMENTS OR ONE OR TWO OF THEM OR
4 WHATEVER ARE RESPONSIVE, THEN YOU WILL BE ABLE TO MAKE A
5 DISCRETE MOTION WITH REGARD TO THOSE DOCUMENTS. IF THEY
6 INDICATE THAT, NO, NONE OF THESE DOCUMENTS ARE RESPONSIVE TO
7 ANY OF YOUR DISCOVERY, THEN YOU MAY MAKE A MOTION, IF YOU
8 ARE SO INCLINED, TO HAVE THE COURT REVIEW THOSE DOCUMENTS TO
9 DETERMINE WHETHER OR NOT THEY HAVE TRUTHFULLY RESPONDED TO
10 YOUR DISCOVERY.

11 MR. MORANTZ: WHAT I WOULD ASK IS IF I COULD MAKE AN
12 OFFER OF PROOF AS TO THE RELEVANCE OF THE WRITTEN
13 DOCUMENTS --

14 THE COURT: WE'RE ALL THROUGH WITH THE HEARING,
15 COUNSEL. THAT'S THE PROCEDURE WE'RE GOING TO DO.

16 MS. PLEVIN: THERE IS ANOTHER ADDITIONAL ISSUE I
17 THINK WOULD BE USEFUL TO CLARIFY AT THIS POINT, AND THAT IS
18 THE PROCEDURE FOR UNSEALING THE FILES. WE'VE GOT A
19 SITUATION WHERE THERE ARE CERTAIN DOCUMENTS WHICH YOU'VE
20 INDICATED WHICH WILL NOT BE UNSEALED AT THE TIME. WE ALSO
21 HAVE A BACKGROUND HERE WHICH IS REFLECTED IN MS. ASNARAN'S
22 DECLARATION OF IMPROPER DEALING WITH DOCUMENTARY EVIDENCE BY
23 THE CHURCH OF SCIENTOLOGY.

24 THE COURT: WHAT DO YOU PROPOSE?

25 MS. PLEVIN: I PROPOSE THAT THE FILE BE UNSEALED IN
26 CHAMBERS UNDER YOUR SUPERVISION WITH A --

27 THE COURT: I DON'T HAVE TIME TO DO THAT. I'M SORRY.
28 I'M NOT GOING TO BE A POLICE OFFICER HERE.

1 MS. PLEVIN: I'M LOOKING FOR SOME WAY TO FIND A
2 PROCEDURE BY WHICH MR. MORANTZ AND MYSELF CAN VIEW THE FILE
3 EXCEPT FOR THE DOCUMENTS WHICH YOU CHOOSE --

4 THE COURT: WHAT YOU ARE SAYING IS YOU WANT IT
5 TOTALLY UNSEALED JUST FOR YOU.

6 MS. PLEVIN: NOT TRUE. I'M SAYING WE WOULD LIKE TO
7 HAVE ACCESS TO THEM BEFORE THEY ARE OPENED DOWN AT THE
8 CLERK'S WINDOW WHERE PEOPLE CAN GET ACCESS TO THEM AND PULL
9 THINGS OUT AND, UNFORTUNATELY, WE ARE CONCERNED, DESTROY
10 THEM.

11 THE COURT: ISN'T THERE A WAY THAT A CLERK CAN BE
12 ASSIGNED TO OVERSEE THE INSPECTION OF THE FILE?

13 MR. MOXON: I BELIEVE THIS MAY ALL BE MOOT NOW SINCE
14 THERE IS AN APPEAL IN THIS MATTER. IF THE COURT OF APPEALS
15 AFFIRMS HIS HONOR'S DECISION, THEN WE CAN COME BACK AND WORK
16 OUT A PROCEDURE.

17 THE COURT: I DON'T WANT YOU BACK. I DON'T HAVE TIME
18 TO HAVE YOU BACK ON THIS.

19 MR. MORANTZ: WE'RE ASSUMING -- IF THEY DON'T HAVE A
20 STAY -- I THINK IT COULD BE CONTINUED TO DECEMBER 27.
21 ASSUMING THAT NO STAY IS ISSUED BY THE APPELLATE COURT --

22 MS. PLEVIN: THEY HAVE NOT CHALLENGED THE GENERAL
23 UNSEALING ORDER, SO I DO NOT THINK THEY HAVE GROUNDS --

24 MR. MOXON: THAT'S NOT CORRECT.

25 MR. LIEBERMAN: OF COURSE WE'RE TAKING AN APPEAL ON
26 THAT.

27 THE COURT: IF IT ISN'T, THEN, OBVIOUSLY, IT'S OFF,
28 BUT I THINK WHAT I'M GOING TO DO IS ASK YOU TO SUBMIT AN

1 ORDER IMPLEMENTING MY NOVEMBER 9TH ORDER AND SET FORTH THE
2 PROCEDURE WHICH WOULD CALL FOR THE FILE TO BE UNSEALED BUT
3 SEQUESTERED SO THAT ANY TIME THE FILE IS BEING INSPECTED
4 THERE WILL BE A MEMBER OF THE CLERK'S OFFICE IN ATTENDANCE
5 WITH WHOEVER IS INSPECTING IT.

6 MS. PLEVIN: THAT SOUNDS FINE.

7 THE COURT: YOU CAN SUBMIT THE ORDER AND WORK THAT
8 OUT IN AN AGREEABLE WAY. OTHERWISE, YOU EACH SUBMIT YOUR
9 OWN IDEAS.

10 MR. MOXON: YOUR HONOR, IF THEY COULD SUBMIT THE
11 ORDER TO US, BEFORE IT COMES IN, FOR OUR APPROVAL.

12 THE COURT: YES.

13 (PROCEEDINGS CONCLUDED.)
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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 56

HON. BRUCE R. GEERNAERT, JUDGE

CHURCH OF SCIENTOLOGY OF CALIFORNIA,

PLAINTIFF,

VS.

GERALD ARMSTRONG,

DEFENDANT.

NO. C 420 153

REPORTER'S
CERTIFICATE

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

)
) SS
)

I, MICHAEL W. PETTIT, OFFICIAL REPORTER OF THE
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF
LOS ANGELES, DO HEREBY CERTIFY THAT THE FOREGOING PAGES,
1 THROUGH 15, COMPRISE A FULL, TRUE AND CORRECT
TRANSCRIPT OF THE PROCEEDINGS HELD IN THE ABOVE MATTER AS
REPORTED BY ME ON NOVEMBER 30, 1988.

DATED THIS 2ND DAY OF DECEMBER, 1988.


MICHAEL W. PETTIT, CSR #2053

EXHIBIT C

1 SAYRE, MORENO, PURCELL & BOUCHER
2 FEDERICO C. SAYRE, ESQ.
3 TOBY L. PLEVIN, ESQ.
4 10866 Wilshire Blvd., Fourth Floor
5 Los Angeles, CA 90024
6 (213) 475-0505

7 PAUL MORANTZ, ESQ.
8 P.O. Box 511
9 Pacific Palisades, CA 90272

10 Attorneys for Moving Party

ORIGINAL FILED
DEC 22 1988
COUNTY CLERK

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 FOR THE COUNTY OF LOS ANGELES

13 CHURCH OF SCIENTOLOGY OF
14 CALIFORNIA,

15 Plaintiff,

16 vs.

17 GERALD ARMSTRONG,

18 Defendant.

19 MARY SUE HUBBARD,

20 Intervenor.

) CASE NUMBER: C 420 153

)
) ~~PROPOSED~~ ORDER FOR
) SEQUESTERING FILES

21 On consideration of the Motion of Bent Corydon to
22 Unseal File and Plaintiff/Intervenor's and Cross-
23 Defendant's Motion for Clarification and/or
24

25 EXHIBIT D

1 Reconsideration to Preserve Seal, IT IS HEREBY ORDERED
2 that on December 29, 1988, the file in the within case
3 shall be unsealed except for individual documents that
4 shall remain under seal, which have been designated by
5 prior court order. Those are Exhibits 500-CCCCC, 500-
6 5L, 500-50, 500-5P, 500-5K and 500-60.

7
8 The ruling as to the Exhibits which shall remain
9 under seal is without prejudice to further motions.

10
11 After unsealing, the file shall be sequestered.
12 The file shall be available for inspection only in the
13 presence of a deputy clerk. No more than two persons
14 shall be permitted to inspect the file or any part
15 thereof at any one time. Such inspection shall take
16 place only in the filing room of this court.

17
18 In order to assure that the moving parties have
19 early access to the documents, the Court further orders
20 that for the first ten court days after the seal is
21 removed, only moving parties and their agents shall be
22 permitted to inspect the file. They are: Paul
23 Morantz, Toby L. Plevin and such other persons as they

24 ///

25 ///

26 ///

1 may designate. Thereafter, the file may be inspected
2 by others subject to the conditions herein.
3
4

5 DATED: DEC 22 1988

BRUCE R. GIBBETT
6 Superior Court Judge
7

8 Approved as to form:
9

10 PAUL MORANTZ, A PROFESSIONAL CORP.
Attorney for Bent Corydon

11 SAYRE, MORENO, PURCELL & BOUCHER

12 DATED: 12/20/88

FEDERICO C. SAYRE, ESQ.
13 TOBY L. FLEVIN, ESQ.
14 Attorneys for Bent Corydon
15
16
17
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FAILURE TO FOLLOW OR APPLY CONDITION

Staff members who see in their own sagged stats a Condition coming up should act *fast* to get the stat up up before a Condition has to be assigned.

L. RON HUBBARD
Founder

Remimco

HCU POLICY LETTER OF 18 OCTOBER 1967
Issue IV

~~SP Order. Fair game. May be deprived of property or injured by any~~
~~means by any Scientologist without any discipline of the Scientologist.~~
~~May be tricked, sued or lied to or destroyed.~~

L. RON HUBBARD
Founder

EXHIBIT B

EXHIBIT E

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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF LOS ANGELES
10

11 CHURCH OF SCIENTOLOGY OF CALIFORNIA,)

12 Plaintiff,)

13 vs.)

14 GERALD ARMSTRONG,)

15 Defendant.)

16 MARY SUE HUBBARD,)

17 Intervenor.)
18
19

No. C 420153

MEMORANDUM OF
INTENDED DECISION

20 In this matter heretofore taken under submission, the
21 Court announces its intended decision as follows:

22 As to the tort causes of action, plaintiff, and plaintiff
23 in intervention are to take nothing, and defendant is entitled
24 to Judgment and costs.

25 As to the equitable actions, the court finds that neither
26 plaintiff has clean hands, and that at least as of this time,
27 are not entitled to the immediate return of any document or
28 objects presently retained by the court clerk. All exhibits

EXHIBIT F

received in evidence or marked for identification, unless specifically ordered sealed¹, are matters of public record and shall be available for public inspection or use to the same extent that any such exhibit would be available in any other lawsuit. In other words they are to be treated henceforth no differently than similar exhibits in other cases in Superior Court. Furthermore, the "inventory list and description," of materials turned over by Armstrong's attorneys to the court, shall not be considered or deemed to be confidential, private, or under seal.

All other documents or objects presently in the possession of the clerk (not marked herein as court exhibits) shall be retained by the clerk, subject to the same orders as are presently in effect as to sealing and inspection, until such time as trial court proceedings are concluded as to the severed cross complaint. For the purposes of this Judgment, conclusion will occur when any motion for a new trial has been denied, or the time within such a motion must be brought has expired without such a motion being made. At that time, all documents neither received in evidence, nor marked for identification only, shall be released by the clerk to plaintiff's representatives. Notwithstanding this order, the parties may

1. Exhibits in evidence No. 500-40; JJJ; KKK; LLL; MMM; NNN; OOO; PPP; QQQ; RRR; and 500-QQQQ.

Exhibits for identification only No. JJJJ; Series 500-DDDD, EEEE, FFFF, GGGG, HHHH, IIII, NNNN-1, OOOO, ZZZZ, CCCCC, GGGGG, IIIII, KKKKK, LLLLL, OOOOO, PPPPP, QQQQQ, BBBBBB, OOOOOO, BBBBBB.

1 at any time by written stipulation filed with the clerk obtain
2 release of any or all such unused materials.

3 Defendant and his counsel are free to speak or communicate
4 upon any of Defendant Armstrong's recollections of his life as
5 a Scientologist or the contents of any exhibit received in
6 evidence or marked for identification and not specifically
7 ordered sealed. As to all documents, and other materials held
8 under seal by the clerk, counsel and the defendant shall remain
9 subject to the same injunctions as presently exist, at least
10 until the conclusion of the proceedings on the cross complaint.
11 However, in any other legal proceedings in which defense
12 counsel, or any of them, is of record, such counsel shall have
13 the right to discuss exhibits under seal, or their contents, if
14 such is reasonably necessary and incidental to the proper
15 representation of his or her client.

16 Further, if any court of competent jurisdiction orders
17 defendant or his attorney to testify concerning the fact of any
18 such exhibit, document, object, or its contents, such testimony
19 shall be given, and no violation of this order will occur.
20 Likewise, defendant and his counsel may discuss the contents of
21 any documents under seal or of any matters as to which this
22 court has found to be privileged as between the parties hereto,
23 with any duly constituted Governmental Law Enforcement Agency
24 or submit any exhibits or declarations thereto concerning such
25 document or materials, without violating any order of this
26 court.

27 ///

28 ///

EXHIBIT F

1 This court will retain jurisdiction to enforce, modify,
2 alter, or terminate any injunction included within the
3 Judgment.

4 Counsel for defendant is ordered to prepare, serve, and
5 file a Judgment on the Complaint and Complaint in Intervention,
6 and Statement of Decision if timely and properly requested,
7 consistent with the court's intended decision.
8

9 Discussion

10 The court has found the facts essentially as set forth in
11 defendant's trial brief, which as modified, is attached as an
12 appendix to this memorandum. In addition the court finds that
13 while working for L.R. Hubbard (hereinafter referred to as
14 LRH), the defendant also had an informal employer-employee
15 relationship with plaintiff Church, but had permission and
16 authority from plaintiffs and LRH to provide Omar Garrison with
17 every document or object that was made available to Mr.
18 Garrison, and further, had permission from Omar Garrison to
19 take and deliver to his attorneys the documents and materials
20 which were subsequently delivered to them and thenceforth into
21 the custody of the County Clerk.

22 Plaintiff Church has made out a prima facie case of
23 conversion (as bailee of the materials), breach of fiduciary
24 duty, and breach of confidence (as the former employer who
25 provided confidential materials to its then employee for
26 certain specific purposes, which the employee later used for
27 other purposes to plaintiff's detriment). Plaintiff Mary Jane
28 Hubbard has likewise made out a prima facie case of conversion

EXHIBIT F

and invasion of privacy (misuse by a person of private matters entrusted to him for certain specific purposes only).

While defendant has asserted various theories of defense, the basic thrust of his testimony is that he did what he did, because he believed that his life, physical and mental well being, as well as that of his wife were threatened because the organization was aware of what he knew about the life of LRH, the secret machinations and financial activities of the Church, and his dedication to the truth. He believed that the only way he could defend himself, physically as well as from harassing lawsuits, was to take from Omar Garrison those materials which would support and corroborate everything that he had been saying within the Church about LRH and the Church, or refute the allegations made against him in the April 22 Suppressive Person Declare. He believed that the only way he could be sure that the documents would remain secure for his future use was to send them to his attorneys, and that to protect himself, he had to go public so as to minimize the risk that LRH, the Church, or any of their agents would do him physical harm.

This conduct if reasonably believed in by defendant and engaged in by him in good faith, finds support as a defense to the plaintiff's charges in the Restatements of Agency, Torts, and case law.

Restatement of Agency, Second, provides:

"Section 395f: An agent is privileged to reveal information confidentially acquired by him in the course of his agency in the protection of a superior interest of himself or a third person.

EXHIBIT F

1 "Section 418: An agent is privileged to protect
2 interests of his own which are superior to those of the
3 principal, even though he does so at the expense of the
4 principal's interest or in disobedience to his orders."

5 Restatement of torts, Second, section 271:

6 "One is privileged to commit an act which would
7 otherwise be a trespass to or a conversion of a chattel in
8 the possession of another, for the purpose of defending
9 himself or a third person against the other, under the
10 same conditions which would afford a privilege to inflict
11 harmful or offensive contact upon the other for the same
12 purpose."

13 The Restatement of Torts, Second, section 652a, as well as
14 case law, make it clear that not all invasions of privacy are
15 unlawful or tortious. It is only when the invasion is
16 unreasonable that it becomes actionable. Hence, the trier of
17 fact must engage in a balancing test, weighing the nature and
18 extent of the invasion, as against the purported justification
19 therefore to determine whether in a given case, the particular
20 invasion or intrusion was unreasonable.

21 In addition the defendant has asserted as a defense the
22 principal involved in the case of Willig v. Gold, 75
23 Cal.App.2d, 809, 814, which holds that an agent has a right or
24 privilege to disclose his principal's dishonest acts to the
25 party prejudicially affected by them.

26 Plaintiff Church has asserted and obviously has certain
27 rights arising out of the First Amendment. Thus, the court
28 cannot, and has not, inquired into or attempted to evaluate the

EXHIBIT F

merits, accuracy, or truthfulness of Scientology or any of its precepts as a religion. First Amendment rights, however, cannot be utilized by the Church or its members, as a sword to preclude the defendant, whom the Church is suing, from defending himself. Therefore, the actual practices of the Church or its members, as it relates to the reasonableness of the defendant's conduct and his state of mind are relevant, admissible, and have been considered by the court.

As indicated by its factual findings, the court finds the testimony of Gerald and Jocelyn Armstrong, Laurel Sullivan, Nancy Dincalcis, Edward Walters, Omar Garrison, Kima Douglas, and Howard Schomer to be credible, extremely persuasive, and the defense of privilege or justification established and corroborated by this evidence. Obviously, there are some discrepancies or variations in recollections, but these are the normal problems which arise from lapse of time, or from different people viewing matters or events from different perspectives. In all critical and important matters, their testimony was precise, accurate, and rang true. The picture painted by these former dedicated Scientologists, all of whom were intimately involved with LRH, or Mary Jane Hubbard, or of the Scientology Organization, is on the one hand pathetic, and on the other, outrageous. Each of these persons literally gave years of his or her respective life in support of a man, LRH, and his ideas. Each has manifested a waste and loss or frustration which is incapable of description. Each has broken with the movement for a variety of reasons, but at the same time, each is, still bound by the knowledge that the Church has

1 in its possession his or her most inner thoughts and
2 confessions, all recorded in "pre-clear (P.C.) folders" or
3 other security files of the organization, and that the Church
4 or its minions is fully capable of intimidation or other
5 physical or psychological abuse if it suits their ends. The
6 record is replete with evidence of such abuse.

7 In 1970 a police agency of the French Government conducted
8 an investigation into Scientology and concluded, "this sect,
9 under the pretext of 'freeing humans' is nothing in reality but
10 a vast enterprise to extract the maximum amount of money from
11 its adepts by (use of) pseudo-scientific theories, by (use of)
12 'auditions' and 'stage settings' (lit. to create a theatrical
13 scene') pushed to extremes (a machine to detect lies, its own
14 particular phraseology . . .), to estrange adepts from their
15 families and to exercise a kind of blackmail against persons
16 who do not wish to continue with this sect."² From the
17 evidence presented to this court in 1984, at the very least,
18 similar conclusions can be drawn. In addition to violating and
19 abusing its own members civil rights, the organization over the
20 years with its "Fair Game" doctrine has harassed and abused
21 those persons not in the Church whom it perceives as enemies.
22 The organization clearly is schizophrenic and paranoid, and
23 this bizarre combination seems to be a reflection of its
24 founder LRH. The evidence portrays a man who has been
25 virtually a pathological liar when it comes to his history,
26
27

1 background, and achievements. The writings and documents in
2 evidence additionally reflect his egoism, greed, avarice, lust
3 for power, and vindictiveness and aggressiveness against
4 persons perceived by him to be disloyal or hostile. At the
5 same time it appears that he is charismatic and highly capable
6 of motivating, organizing, controlling, manipulating, and
7 inspiring his adherents. He has been referred to during the
8 trial as a "genius," a "revered person," a man who was "viewed
9 by his followers in awe." Obviously, he is and has been a very
10 complex person, and that complexity is further reflected in his
11 alter ego, the Church of Scientology. Notwithstanding
12 protestations to the contrary, this court is satisfied that LRH
13 runs the Church in all ways through the Sea Organization, his
14 role of Commodore, and the Commodore's Messengers.³ He has, of
15 course, chosen to go into "seclusion," but he maintains contact
16 and control through the top messengers. Seclusion has its
17 light and dark side too. It adds to his mystique, and yet
18 shields him from accountability and subpoena or service of
19 summons.

20 LRH's wife, Mary Sue Hubbard is also a plaintiff herein.
21 On the one hand she certainly appeared to be a pathetic
22 individual. She was forced from her post as Controller,
23 convicted and imprisoned as a felon, and deserted by her
24 husband. On the other hand her credibility leaves much to be
25 desired. She struck the familiar pose of not seeing, hearing,
26

27 3. See Exhibit K: Flag Order 3729 - 15 September 1978
28 "Commodore's Messengers."

1 or knowing any evil. Yet she was the head of the Guardian
2 Office for years and among other things, authored the infamous
3 order "GO 121669"⁴ which directed culling of supposedly
4 confidential P.C. files/folders for purposes of internal
5 security. In her testimony she expressed the feeling that
6 defendant by delivering the documents, writings, letters to his
7 attorneys, subjected her to mental rape. The evidence is clear
8 and the court finds that defendant and Omar Garrison had
9 permission to utilize these documents for the purpose of
10 Garrison's proposed biography. The only other persons who were
11 shown any of the documents were defendant's attorneys, the
12 Douglasses, the Dincalcis, and apparently some documents
13 specifically affecting LRH's son "Nibs," were shown to "Nibs."
14 The Douglasses and Dincalcises were disaffected Scientologists
15 who had a concern for their own safety and mental security, and
16 were much in the same situation as defendant. They had not
17 been declared as suppressive, but Scientology had their P.C.
18 folders, as well as other confessions, and they were extremely
19 apprehensive. They did not see very many of the documents, and
20 it is not entirely clear which they saw. At any rate Mary Sue
21 Hubbard did not appear to be so much distressed by this fact,
22 as by the fact that Armstrong had given the documents to
23 Michael Flynn, whom the Church considered its foremost
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4. Exhibit AAA.

1 lawyer-enemy.⁵ However, just as the plaintiffs have First
2 Amendment rights, the defendant has a Constitutional right to
3 an attorney of his own choosing. In legal contemplation the
4 fact that defendant selected Mr. Flynn rather than some other
5 lawyer cannot by itself be tortious. In determining whether
6 the defendant unreasonably invaded Mrs. Hubbard's privacy, the
7 court is satisfied the invasion was slight, and the reasons and
8 justification for defendant's conduct manifest. Defendant was
9 told by Scientology to get an attorney. He was declared an
10 enemy by the Church. He believed, reasonably, that he was
11 subject to "fair game." The only way he could defend himself,
12 his integrity, and his wife was to take that which was
13 available to him and place it in a safe harbor, to wit, his
14 lawyer's custody. He may have engaged in overkill, in the
15 sense that he took voluminous materials, some of which appear
16 only marginally relevant to his defense. But he was not a
17 lawyer and cannot be held to that precise standard of judgment.
18 Further, at the time that he was accumulating the material, he
19 was terrified and undergoing severe emotional turmoil. The
20 court is satisfied that he did not unreasonably intrude upon
21 Mrs. Hubbard's privacy under the circumstances by in effect
22 simply making his knowledge that of his attorneys. It is, of
23 course, rather ironic that the person who authorized G.O. order
24 121669 should complain about an invasion of privacy. The
25

26 5. "No, I think my emotional distress and upset is the
27 fact that someone took papers and materials without my
28 authorization and then gave them to your Mr. Flynn."
Reporter's Transcript, p. 1006.

1 practice of culling supposedly confidential "P.C. folders or
2 files" to obtain information for purposes of intimidation
3 and/or harassment is repugnant and outrageous. The Guardian's
4 Office, which plaintiff headed, was no respecter of anyone's
5 civil rights, particularly that of privacy. Plaintiff Mary Sue
6 Hubbard's cause of action for conversion must fail for the same
7 reason as plaintiff Church. The documents were all together in
8 Omar Garrison's possession. There was no rational way the
9 defendant could make any distinction.

10 Insofar as the return of documents is concerned, matters
11 which are still under seal may have evidentiary value in the
12 trial of the cross complaint or in other third party
13 litigation. By the time that proceedings on the cross
14 complaint are concluded, the court's present feeling is that
15 those documents or objects not used by that time should be
16 returned to plaintiff. However, the court will reserve
17 jurisdiction to reconsider that should circumstances warrant.

18 Dated: June 20, 1984

19 

20 PAUL G. BRECKENRIDGE, JR.
21 Judge of the Superior Court
22
23
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1
2 Appendix

3 Defendant Armstrong was involved with Scientology from
4 1969 through 1981, a period spanning 12 years. During that
5 time he was a dedicated and devoted member who revered the
6 founder, L. Ron Hubbard. There was little that Defendant
7 Armstrong would not do for Hubbard or the Organization. He
8 gave up formal education, one-third of his life, money and
9 anything he could give in order to further the goals of
10 Scientology, goals he believed were based upon the truth,
11 honesty, integrity of Hubbard and the Organization.

12 From 1971 through 1981, Defendant Armstrong was a member
13 of the Sea Organization, a group of highly trained
14 scientologists who were considered the upper echelon of the
15 Scientology organization. During those years he was placed in
16 various locations, but it was never made clear to him exactly
17 which Scientology corporation he was working for. Defendant
18 Armstrong understood that, ultimately, he was working for L.
19 Ron Hubbard, who controlled all Scientology finances,
20 personnel, and operations while Defendant was in the Sea
21 Organization.

22 Beginning in 1979 Defendant Armstrong resided at Gilman
23 Hot Springs, California, in Hubbard's "Household Unit." The
24 Household Unit took care of the personal wishes and needs of
25 Hubbard at many levels. Defendant Armstrong acted as the L. -
26 Ron Hubbard Renovations In-Charge and was responsible for
27 renovations, decoration, and maintenance of Hubbard's home and
28 office at Gilman Hot Springs.

///
EXHIBIT F

1 In January of 1980 there was an announcement of a possible
2 raid to be made by the FBI or other law enforcement agencies of
3 the property. Everyone on the property was required by
4 Hubbard's representatives, the Commodore's Messengers, to go
5 through all documents located on the property and "vet" or
6 destroy anything which showed that Hubbard controlled
7 Scientology organizations, retained financial control, or was
8 issuing orders to people at Gilman Hot Springs.

9 A commercial paper shredder was rented and operated day
10 and night for two weeks to destroy hundreds of thousands of
11 pages of documents.

12 During the period of shredding, Brenda Black, the
13 individual responsible for storage of Hubbard's personal
14 belongings at Gilman Hot Springs, came to Defendant Armstrong
15 with a box of documents and asked whether they were to be
16 shredded. Defendant Armstrong reviewed the documents and found
17 that they consisted of a wide variety of documents including
18 Hubbard's personal papers, diaries, and other writings from a
19 time before he started Dianetics in 1950, together with
20 documents belonging to third persons which had apparently been
21 stolen by Hubbard or his agents. Defendant Armstrong took the
22 documents from Ms. Black and placed them in a safe location on
23 the property. He then searched for and located another twenty
24 or more boxes containing similar materials, which were poorly
25 maintained.

26 On January 8, 1980, Defendant Armstrong wrote a petition
27 to Hubbard requesting his permission to perform the research
28 for a biography to be done about his life. The petition states

1 that Defendant Armstrong had located the subject materials and
2 lists of a number of activities he wished to perform in
3 connection with the biography research.

4 Hubbard approved the petition, and Defendant Armstrong
5 became the L. Ron Hubbard Personal Relations Officer Researcher
6 (PPRO Res). Defendant claims that this petition and its
7 approval forms the basis for a contract between Defendant and
8 Hubbard. Defendant Armstrong's supervisor was then Laurel
9 Sullivan, L. Ron Hubbard's Personal Public Relations Officer.

10 During the first part of 1980, Defendant Armstrong moved
11 all of the L. Ron Hubbard Archives materials he had located at
12 Gilman Hot Springs to an office in the Church of Scientology
13 Cedars Complex in Los Angeles. These materials comprised
14 approximately six file cabinets. Defendant Armstrong had
15 located himself in the Cedars Complex, because he was also
16 involved in "Mission Corporate Category Sort-Out," a mission to
17 work out legal strategy. Defendant Armstrong was involved with
18 this mission until June of 1980.

19 It was also during this early part of 1980 that Hubbard
20 left the location in Gilman Hot Springs, California, and went
21 into hiding. Although Defendant Armstrong was advised by
22 Laurel Sullivan that no one could communicate with Hubbard,
23 Defendant Armstrong knew that the ability for communication
24 existed, because he had forwarded materials to Hubbard at his
25 request in mid-1980.

26 Because of this purported inability to communicate with
27 Hubbard, Defendant Armstrong's request to purchase biographical
28 materials of Hubbard from people who offered them for sale went

1 to the Commodore's Messenger Organization, the personal
2 representatives of Hubbard.

3 In June of 1980 Defendant Armstrong became involved in the
4 selection of a writer for the Hubbard biography. Defendant
5 Armstrong learned that Hubbard had approved of a biography
6 proposal prepared by Omar Garrison, a writer who was not a
7 member of Scientology. Defendant Armstrong had meetings with
8 Mr. Garrison regarding the writing of the biography and what
9 documentation and assistance would be made available to him.
10 As understood by Mr. Garrison, Defendant Armstrong represented
11 Hubbard in these discussions.

12 Mr. Garrison was advised that the research material he
13 would have at his disposal were Hubbard's personal archives.
14 Mr. Garrison would only undertake a writing of the biography if
15 the materials provided to him were from Hubbard's personal
16 archives, and only if his manuscript was subject to the
17 approval of Hubbard himself.

18 In October of 1980 Mr. Garrison came to Los Angeles and
19 was toured through the Hubbard archives materials that
20 Defendant Armstrong had assembled up to that time. This was an
21 important "selling point" in obtaining Mr. Garrison's agreement
22 to write the biography. On October 30, 1980, an agreement was
23 entered into between Ralston-Pilot, ncv. F/S/O Omar V.
24 Garrison, and AOSH'DK Publications of Copenhagen, Denmark, for
25 the writing of a biography of Hubbard.

26 Paragraph 10B of the agreement states that:

27 "Publisher shall use its best efforts to provide
28 Author with an office, an officer assistant and/or

1 research assistant, office supplies and any needed
2 archival and interview materials in connection with
3 the writing of the Work."

4 The "research assistant" provided to Mr. Garrison was
5 Defendant Armstrong.

6 During 1980 Defendant Armstrong exchanged correspondence
7 with Intervenor regarding the biography project. Following his
8 approval by Hubbard as biography researcher, Defendant
9 Armstrong wrote to Intervenor on February 5, 1980, advising her
10 of the scope of the project. In the letter Defendant stated
11 that he had found documents which included Hubbard's diary from
12 his Orient trip, poems, essays from his youth, and several
13 personal letters, as well as other things.

14 By letter of February 11, 1980, Intervenor responded to
15 Defendant, acknowledging that he would be carrying out the
16 duties of Biography Researcher.

17 On October 14, 1980, Defendant Armstrong again wrote to
18 Intervenor, updating her on "Archives materials" and proposing
19 certain guidelines for the handling of those materials.

20 It was Intervenor who, in early 1981, ordered certain
21 biographical materials from "Controller Archives" to be
22 delivered to Defendant Armstrong. These materials consisted of
23 several letters written by Hubbard in the 1920's and 1930's,
24 Hubbard's Boy Scout books and materials, several old Hubbard
25 family photographs, a diary kept by Hubbard in his youth, and
26 several other items.

27 Defendant Armstrong received these materials upon the
28 order of Intervenor, following his letter of October 15, 1980,

EXHIBIT F -

1 to her in which Defendant stated, at page 7, that there were
2 materials in the "Controller Archives" that would be helpful to
3 him in the biography research.

4 After these materials were delivered to Defendant
5 Armstrong, Intervenor was removed from her Scientology position
6 of Controller in 1981, presumably because of her conviction for
7 the felony of obstruction of justice in connection with the
8 theft of Scientology documents from various government offices
9 and agencies in Washington, D.C.

10 During the time Defendant Armstrong worked on the
11 biography project and acted as Hubbard Archivist, there was
12 never any mention that he was not to be dealing with Hubbard's
13 personal documents or that the delivery of those documents to
14 Mr. Garrison was not authorized.

15 For the first year or more of the Hubbard biography and
16 archive project, funding came from Hubbard's personal staff
17 unit at Gilman Hot Springs, California. In early 1981,
18 however, Defendant Armstrong's supervisor, Laurel Sullivan,
19 ordered him to request that funding come from what was known as
20 SEA Org Reserves. Approval for this change in funding came
21 from the SEA Org Reserves Chief and Watch Dog Committee, the
22 top Commodores Messenger Organization unit, who were Hubbard's
23 personal representatives.

24 From November of 1980 through 1981, Defendant Armstrong
25 worked closely with Mr. Garrison, assembling Hubbard's archives
26 into logical categories, copying them and arranging the copies
27 of the Archives materials into bound volumes. Defendant
28 Armstrong made two copies of almost all documents copied for

1 Mr. Garrison - one for Mr. Garrison and the other to remain in
2 Hubbard Archives for reference or recopying. Defendant
3 Armstrong created approximately 400 binders of documents. The
4 vast majority of the documents for Mr. Garrison came from
5 Hubbard's personal Archives, of which Defendant Armstrong was
6 in charge. Materials which came from other Archives, such as
7 the Controller Archives, were provided to Defendant Armstrong
8 by Scientology staff members who had these documents in their
9 care.

10 It was not until late 1981 that Plaintiff was to provide a
11 person to assist on the biography project by providing Mr.
12 Garrison with "Guardian Office" materials, otherwise described
13 as technical materials relating to the operation of
14 Scientology. The individual appointed for this task was Vaughn
15 Young. Controller Archives and Guardian Office Archives had no
16 connection to the Hubbard Archives, which Defendant Armstrong
17 created and maintained as Hubbard's personal materials.

18 In addition to the assemblage of Hubbard's Archives,
19 Defendant Armstrong worked continually on researching and
20 assembling materials concerning Hubbard by interviewing dozens
21 of individuals, including Hubbard's living aunt, uncle, and
22 four cousins. Defendant Armstrong did a geneology study of
23 Hubbard's family and collected, assembled, and read hundreds of
24 thousands of pages of documentation in Hubbard's Archives.

25 During 1980 Defendant Armstrong remained convinced of
26 Hubbard's honesty and integrity and believed that the
27 representations he had made about himself in various
28 publications were truthful. Defendant Armstrong was devoted to

1 Hubbard and was convinced that any information which he
2 discovered to be unflattering of Hubbard or contradictory to
3 what Hubbard has said about himself, was a lie being spread by
4 Hubbard's enemies. Even when Defendant Armstrong located
5 documents in Hubbard's Archives which indicated that
6 representations made by Hubbard and the Organization were
7 untrue, Defendant Armstrong would find some means to "explain
8 away" the contradictory information.

9 Slowly, however, throughout 1981, Defendant Armstrong
10 began to see that Hubbard and the Organization had continuously
11 lied about Hubbard's past, his credentials, and his
12 accomplishments. Defendant Armstrong believed, in good faith,
13 that the only means by which Scientology could succeed in what
14 Defendant Armstrong believed was its goal of creating an
15 ethical environment on earth, and the only way Hubbard could be
16 free of his critics, would be for Hubbard and the Organization
17 to discontinue the lies about Hubbard's past, his credentials,
18 and accomplishments. Defendant Armstrong resisted any public
19 relations piece or announcement about Hubbard which the L. Ron
20 Hubbard Public Relations Bureau proposed for publication which
21 was not factual. Defendant Armstrong attempted to change and
22 make accurate the various "about the author" sections in
23 Scientology books, and further, Defendant rewrote or critiqued
24 several of these and other publications for the L. Ron Hubbard
25 Public Relations Bureau and various Scientology Organizations.
26 Defendant Armstrong believed and desired that the Scientology
27 Organization and its leader discontinue the perpetration of the
28 ///

1 massive fraud upon the innocent followers of Scientology, and
2 the public at large.

3 Because of Defendant Armstrong's actions, in late November
4 of 1981, Defendant was requested to come to Gilman Hot Springs
5 by Commodore Messenger Organization Executive, Cirrus Slevin.
6 Defendant Armstrong was ordered to undergo a "security check,"
7 which involved Defendant Armstrong's interrogation while
8 connected to a crude Scientology lie detector machine called an
9 E-meter.

10 The Organization wished to determine what materials
11 Defendant Armstrong had provided to Omar Garrison. Defendant
12 Armstrong was struck by the realization that the Organization
13 would not work with him to correct the numerous fraudulent
14 representations made to followers of Scientology and the public
15 about L. Ron Hubbard and the Organization itself. Defendant
16 Armstrong, who, for twelve years of his life, had placed his
17 complete and full trust in Mr. and Mrs. Hubbard and the
18 Scientology Organization, saw that his trust had no meaning and
19 that the massive frauds perpetrated about Hubbard's past,
20 credentials, and accomplishments would continue to be spread.

21 Less than three weeks before Defendant Armstrong left
22 Scientology, he wrote a letter to Cirrus Slevin on November 25,
23 1981, in which it is clear that his intentions in airing the
24 inaccuracies, falsehoods, and frauds regarding Hubbard were
25 done in good faith. In his letter he stated as follows:

26 "If we present inaccuracies, hyperbole
27 or downright lies as fact or truth, it
28 doesn't matter what slant we give them, if

disproved the man will look, to outsiders at least, like a charlatan. This is what I'm trying to prevent and what I've been working on the past year and a half.

...

"and that is why I said to Norman that it is up to us to insure that everything which goes out about LRH is one hundred percent accurate. That is not to say that opinions can't be voiced, they can. And they can contain all the hype you want. But they should not be construed as facts. And anything stated as a fact should be documentable.

"we are in a period when
'investigative reporting' is popular, and
when there is relatively easy access to
documentation on a person. We can't delude
ourselves I believe, if we want to gain
public acceptance and cause some betterment
in society, that we can get away with
statements, the validity of which we don't
know.

• "The real disservice to LRH, and the ultimate make-wrong is to go on assuming that everything he's ever written or said is one hundred percent accurate and publish it as such without verifying it. I'm

1 talking here about biographical or
2 non-technical writings. This only leads,
3 should any of his statements turn out to be
4 inaccurate, to a make-wrong of him, and
5 consequently his technology.

6 "That's what I'm trying to remedy and
7 prevent.

8 . . .

9 "To say that LRH is not capable of
10 hype, errors or lies is certainly ^{^sic} not
11 granting him much of a beingness. To
12 continue on with the line that he has never
13 erred nor lied is counterproductive. It is
14 an unreal attitude and too far removed from
15 both the reality and people in general that
16 it would widen public unacceptance.

17 . . .

18 ". . . That is why I feel the
19 falsities must be corrected, and why we
20 must verify our facts and present them in a
21 favorable light."

22
23 The remainder of the letter contains examples of facts
24 about Hubbard which Defendant Armstrong found to be wholly
25 untrue or inaccurate and which were represented as true by the
26 Hubbards and the Scientology Organization.

27 In December of 1981 Defendant Armstrong made the decision
28 to leave the Church of Scientology. In order to continue in

1 his commitment to Hubbard and Mr. Garrison in the biography
2 project, he copied a large quantity of documents, which Mr.
3 Garrison had requested or which would be useful to him for the
4 biography. Defendant Armstrong delivered all of this material
5 to Mr. Garrison the date he left the SEA Organization and kept
6 nothing in his possession.

7 Thereafter, Defendant Armstrong maintained friendly
8 relations with Hubbard's representatives by returning to the
9 Archives office and discussing the various categories of
10 materials. In fact on February 24, 1982, Defendant Armstrong
11 wrote to Vaughn Young, regarding certain materials Mr. Young
12 was unable to locate for Omar Garrison.

13 After this letter was written, Defendant Armstrong went to
14 the Archives office and located certain materials Mr. Garrison
15 had wanted which Hubbard representatives claimed they could not
16 locate.

17 At the time Defendant Armstrong left the SEA Organization,
18 he was disappointed with Scientology and Hubbard, and also felt
19 deceived by them. However, Defendant Armstrong felt he had no
20 enemies and felt no ill will toward anyone in the Organization
21 or Hubbard, but still believed that a truthful biography should
22 be written.

23 After leaving the SEA Organization, Defendant Armstrong
24 continued to assist Mr. Garrison with the Hubbard biography
25 project. In the spring of 1982, Defendant Armstrong at Mr.
26 Garrison's request, transcribed some of his interview tapes,
27 copied some of the documentation he had, and assembled several
28 more binders of copied materials. Defendant Armstrong also set

1 up shelves for Mr. Garrison for all the biography research
2 materials, worked on a cross-reference systems, and continued
3 to do library research for the biography.

4 On February 18, 1982, the Church of Scientology
5 International issued a "Suppressive Person Declare Gerry
6 Armstrong," which is an official Scientology document issued
7 against individuals who are considered as enemies of the
8 Organization. Said Suppressive Person Declare charged that
9 Defendant Armstrong had taken an unauthorized leave and that he
10 was spreading destructive rumors about Senior Scientologists.

11 Defendant Armstrong was unaware of said Suppressive Person
12 Declare until April of 1982. At that time a revised Declare
13 was issued on April 22, 1982. Said Declare charged Defendant
14 Armstrong with 18 different "Crimes and High Crimes and
15 Suppressive Acts Against the Church." The charges included
16 theft, juggling accounts, obtaining loans on money under false
17 pretenses, promulgating false information about the Church ,
18 its founder, and members, and other untruthful allegations
19 designed to make Defendant Armstrong an appropriate subject of
20 the Scientology "Fair Game Doctrine." Said Doctrine allows any
21 suppressive person to be "tricked, cheated, lied to, sued, or
22 destroyed."

23 The second declare was issued shortly after Defendant
24 Armstrong attempted to sell photographs of his wedding on board -
25 Hubbard's ship (in which Hubbard appears), and photographs
26 belonging to some of his friends, which also included photos of
27 L.R. Hubbard while in seclusion. Although Defendant Armstrong
28 delivered the photographs to a Virgil Wilhite for sale, he

1 never received payment or return of his friend's photographs.
2 When he became aware that the Church had these photographs, he
3 went to the Organization to request their return. A loud and
4 boisterous argument ensued, and he eventually was told to leave
5 the premises and get an attorney.

6 From his extensive knowledge of the covert and
7 intelligence operations carried out by the Church of
8 Scientology of California against its enemies (suppressive
9 persons), Defendant Armstrong became terrified and feared that
10 his life and the life of his wife were in danger, and he also
11 feared he would be the target of costly and harassing lawsuits.
12 In addition, Mr. Garrison became afraid for the security of the
13 documents and believed that the intelligence network of the
14 Church of Scientology would break and enter his home to
15 retrieve them. Thus, Defendant Armstrong made copies of
16 certain documents for Mr. Garrison and maintained them in a
17 separate location.

18 It was thereafter, in the summer of 1982, that Defendant
19 Armstrong asked Mr. Garrison for copies of documents to use in
20 his defense and sent the documents to his attorneys, Michael
21 Flynn and Contos & Bunch.

22 After the within suit was filed on August 2, 1982,
23 Defendant Armstrong was the subject of harassment, including
24 being followed and surveilled by individuals who admitted
25 employment by Plaintiff; being assaulted by one of these
26 individuals; being struck bodily by a car driven by one of
27 these individuals; having two attempts made by said individuals
28 apparently to involve Defendant Armstrong in a freeway

1 automobile accident; having said individuals come onto
2 Defendant Armstrong's property, spy in his windows, create
3 disturbances, and upset his neighbors. During trial when it
4 appeared that Howard Schomer (a former Scientologist) might be
5 called as a defense witness, the Church engaged in a somewhat
6 sophisticated effort to suppress his testimony. It is not
7 clear how the Church became aware of defense intentions to call
8 Mr. Schomer as a witness, but it is abundantly clear they
9 sought to entice him back into the fold and prevent his
10 testimony.

PROOF OF SERVICE


STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the county of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 10866 Wilshire Boulevard, Fourth Floor, Los Angeles, California 90024.

On December 27, 1988 I served the foregoing document described as MOTION FOR CLARIFICATION OF TEMPORARY STAY ORDER on the interested parties in this action by placing a true copy thereof, enclosed in a sealed envelope, addressed as follows:

SEE ATTACHED LIST

X (BY MAIL) I caused such envelope with postage prepaid to be placed in the United States mail at Los Angeles, California.
Executed on December 27, 1988, at Los Angeles, California.



Signature

____ (BY PERSONAL SERVICE) I caused such envelope to be delivered by personal service on said date.
Executed on December ___, 1988, at Los Angeles, California.

Signature

X (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

____ (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

SERVICE LIST

Paul Morantz
P.O. Box 511
Pacific Palisades, CA 90272

Mr. Eric Lieberman
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740 Broadway at Astor Place
New York, NY 10003

Michael Flynn
400 Atlantic Avenue
Boston, MA

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Edgar Andino

Edgar Andino
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SERVICE LIST
BY HAND

Clerk of the Superior Court
111 North Hill Street
Los Angeles, CA 90012

Mr. Kendrick Moxon
Mr. Timothy Bowles
6255 Sunset Boulevard
Suite 2000
Los Angeles, California 90028

